



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

June 19, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**TRANSFER OF RESPONSIBILITY FOR THE LONG BEACH COURTHOUSE
AND SUBSEQUENT TRANSFER OF TITLE
TO THE STATE OF CALIFORNIA
(FOURTH DISTRICT AFFECTED) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the recommended actions are categorically exempt from the provisions of the California Environmental Quality Act (CEQA).
2. Approve and instruct the Chairman to sign the attached Transfer Agreement with the Judicial Council of California for the transfer of responsibility for the Superior Court share of facilities operations at the Long Beach Courthouse effective July 1, 2007, and title to the entire Long Beach Courthouse property to the State of California shortly thereafter (Attachment A).
3. Approve and instruct the Chairman to sign the attached Joint Occupancy Agreement setting the terms and conditions for the shared use of the courthouse by the County and the Superior Court, along with the other State parties (Attachment B).
4. Approve and instruct the Chief Administrative Officer (CAO) to sign the Quitclaim Deed, which will be approved as to form by County Counsel, similar in form and content to that included as Exhibit B to the Transfer Agreement.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

5. Instruct the Auditor-Controller to make quarterly installments of the County Facilities Payment associated with the Long Beach Court facility, totaling \$581,983 for 2007-08, to the State Controller, in accordance with the Government Code for transferred facilities and the instructions of the State Controller.
6. Authorize the CAO to approve an additional County Facilities Payment amount up to \$50,000 if required by the State Department of Finance.
7. Instruct the CAO to assign any leases for third party tenants if the responsibility for those leases is transferred to the Judicial Council under the Transfer Agreement, and to terminate those licenses that cannot be reassigned.
8. Authorize the CAO to execute any other documents necessary to complete the transfer, upon approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Lockyer-Isenberg Trial Court Funding Act (AB 233, Chapter 850 of the Statutes of 1997) transferred the obligation for funding of court operations from the counties to the State, along with an annual maintenance-of-effort payment by each county, and established a process for developing legislation for the transfers of personnel functions and facilities in later years. In 2000, SB 2140 (Chapter 1010 of that year) made changes to the personnel structure, so that the State became responsible for hiring, classification and compensation, and other personnel issues. Largely following the recommendations of the State Task Force on Court Facilities, the Trial Court Facilities Act (SB 1732, Chapter 1082 of 2002) followed, establishing the authority for the transfer of the final aspect of courts, that is, the transfer of responsibility for court facilities from the counties to the State, with the State's interests represented by the Judicial Council of California.

The Trial Court Facilities Act (the Act) authorizes the State of California, through the Judicial Council, to assume the financial responsibility for the facilities operations (e.g., payment of utilities, building and grounds maintenance, permitting of equipment, and other building management functions) in the local trial courts. With "equal access to justice" as a key underpinning of the Act, the Legislature asserted that the State can best insure uniformity of access to all Californians by implementing the facilities transfers. In addition, the transfers will reunite the responsibility for operations with the responsibility for facilities, increasing the likelihood that decision-making will consider both issues, thereby improving the efficiency and effectiveness of court operations. On the County side, transfer of the court facilities will relieve the County of its responsibility for maintenance of court facilities, which responsibility has largely been dictated by the non-County tenant, as well as of its obligations for future operational cost increases.

Although the deadline for transfer under the Act is June 30, 2007, to date only about 71 courthouses out of nearly 500 statewide have been transferred. The counties and the Judicial Council's administrative arm, the Administrative Office of the Courts (AOC), have partnered to develop the necessary new processes for transfer and have worked together to overcome a steep learning curve in complicated building-by-building negotiations and development of individual agreements. Urgency legislation (SB 145, Corbett), jointly sponsored by the Judicial Council and the California State Association of Counties, was introduced to extend the current transfer deadline to December 31, 2008. The bill is currently awaiting hearing in the Assembly Judiciary Committee. In order to enable the transfer of the remaining courthouses in an expeditious manner, Senator Corbett set up a task force of county, court, AOC and Department of Finance staff to consider issues that need to be resolved legislatively for inclusion in the bill. A staff level subcommittee, including staff from this County, was formed to identify roadblocks and develop solutions to them. The subcommittee determined that there have been a number of obstacles that have impeded progress on the transfer, but that have been overcome through time. In addition, the subcommittee has recognized a number of issues that continue to limit the pace of the transfer, and has acknowledged that there is still a huge amount of work to be done to meet the proposed December 31, 2008, deadline. In summary, and not to disadvantage any party by the changes, the subcommittee recommended that no changes be made at this time, and that the AOC and counties continue to make diligent efforts to complete the transfers.

The Long Beach Courthouse was selected as the first Los Angeles County court transfer because of the Judicial Council's and AOC's plan to seek 2007-08 funding in the State Budget for the replacement of the Long Beach Courthouse. As of early June, funding is proposed in the Governor's Budget for the first phase of the replacement project, which funding is reportedly contingent on the transfer of responsibility by June 30, and title by September 30, 2007.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide the public with beneficial and responsive services (Goal 1), and that we strengthen the County's fiscal capacity (Goal 4). The transfer of the Long Beach Courthouse to the State will support the County's efforts to maintain court services in the Long Beach area to the benefit of the public, while at the same time, limiting the County's exposure to inflationary cost increases in future years.

FISCAL IMPACT/FINANCING

The Act requires that, for each court facility transferred, the County develop and certify a County Facilities Payment (CFP), which is the maintenance of effort payment. The CFP is intended to approximate the amount that the County has historically expended for facilities

operations costs associated with the Superior Court's share of each courthouse, including payment of utilities, building maintenance, permitting of equipment, grounds maintenance, property claims and losses, and management of leases and licenses with third-party tenants in the Superior Court's area. Actual costs incurred during a five-year base period are to be adjusted for inflation, and used as the basis for the payment.

For the Long Beach Courthouse, the Auditor-Controller developed and certified a CFP payment of \$581,983, which we have presented to the AOC. The AOC has reviewed the amount for accuracy, approved it, and submitted it to the State Department of Finance for final approval. Because the Department of Finance may approve a modified payment, we have recommended to your Board that the CAO be given authority to increase the payment by up to \$50,000 if the Department of Finance finds errors or necessary additions that we concur with.

The Auditor-Controller will make the first of the required quarterly installments of the County Facilities Payment on July 1, 2007, in compliance with the Government Code and the instructions of the State Controller.

After transfer of responsibility for the State share of each facility, and payment by the County of the CFP, the State and the County will each be responsible for their respective shares of all facilities operations costs.

In the Long Beach Courthouse, the State will become financially responsible for facilities operations in the 76 percent of the Courthouse that houses the Superior Court and Sheriff Court Services Division, as well as the areas leased or licensed to Superior Court-related tenants, leases of the cafeteria and that share of the parking lot leased to the City of Long Beach, and the Superior Court's share of the common area. The County will continue to be financially responsible for facilities operations in the 24 percent of the Courthouse that houses the District Attorney, Public Defender, Probation Department, and other miscellaneous County spaces, as well as the County's share of the common area. Because the Sheriff operates in courthouses largely under contract with the Superior Court, only the non-Court-related Sheriff services are within the County's share of facilities costs in the building.

The Joint Occupancy Agreement for the transfer of the Long Beach Courthouse provides that the County will retain the duties of the Building Manager for at least two years. During the period where the County acts as Building Manager, the State will pay the County for its 76 percent share of the facilities operations costs, out of the CFP payment made annually

by the County, and from additional State funding as needed. As the years go by, the State will be responsible for all cost increases that may occur in their share of facilities operations, and the County's responsibility for the State area will remain at the original level.

The AOC worked with counties to develop forms and instructions for the CFP, which instruct the County to use the Auditor-Controller's Countywide Cost Allocation Plan amounts as the cost basis. As summary amounts, several of these costs have been allocated across the various courthouses; thus, the amounts included in the Long Beach Courthouse CFP are not exact. In order to lessen the risk to the County and to the State, for the first two years, while other courthouses are in process of being transferred, the County will bill, and the State will pay, an amount based on the CFP, rather than on actual costs, for facilities operations services rendered by the County to the Superior Court, except utilities which will be paid by the State based on our actual costs of utilities.

In addition, because the County has not traditionally purchased property insurance, and is therefore not making a property insurance payment as part of the CFP, the County will instead indemnify the State for "insurable" property losses in excess of \$10,000, as long as the County retains building management responsibilities. In our experience, such property losses have rarely occurred in courthouses.

In accordance with SB 10 (Chapter 444 of 2006), the County will continue to remain responsible for all property losses associated with any seismic event. Prior to the passage of SB 10, the Long Beach Courthouse did not meet the State's criteria for "seismic performance," and thus could not be transferred at all. SB 10 allows for the transfer of most courthouses that do not meet the State's criteria, as long as the County retains the responsibility that it would have had for seismic-related property losses if the facilities had not transferred.

There will be a recommendation in your Board's Supplemental Resolution on the 2007-08 Budget to adjust appropriations among various General Fund budget units to accommodate the new financing structure, with no net County cost impact.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Trial Court Facilities Act (SB 1732, Chapter 1082 of 2002) authorizes the County to enter into agreements for the transfer of responsibility for and title to court facilities, as well as the joint occupancy of those court facilities. The Transfer Agreement and Joint Occupancy Agreement have been approved as to form by County Counsel. The City of Long Beach has been provided notice of this transfer pursuant to Government Code Section 65402.

The Long Beach Courthouse property consists of:

- the main courthouse, which totals approximately 332,000 gross square feet (according to the County's property data base), comprising 27 courtrooms and hearing rooms (with associated prisoner holding facilities, judicial chambers, jury rooms, and the like), Superior Court offices, County offices, a public law library, a children's waiting room, a cafeteria, secured parking, and other miscellaneous spaces;
- a small modular structure immediately north of the courthouse, housing Department 12, which is the traffic court;
- a surface parking lot (Auto Park 67A) immediately north of the courthouse itself, with 205 parking spaces, including 162 spaces that are leased to the City of Long Beach, and 43 spaces shared by the Superior Court and the County; and
- a parking structure (Auto Park 67B), across the street from the courthouse at 101 South Magnolia Avenue, with 977 parking spaces, used for Superior Court and County staff, jurors, and the public. Auto Park 67B is a revenue-generating lot.

Transfer Agreement

The "Transfer Agreement between the Judicial Council of California, by and through the Administrative Office of the Courts, and the County of Los Angeles for the Transfer of Responsibility for and Title to the Long Beach Courthouse" is included in this Board letter as Attachment A. Under the Transfer Agreement:

- The County will transfer to the State responsibility for the 76 percent of the Long Beach Courthouse that is the Superior Court's share of the facility.
- The State's share of the courthouse will include areas used exclusively by the Superior Court and by the Sheriff's Court Services Division, the cafeteria and snack bar (which are currently licensed to the State Department of Rehabilitation), the Child Waiting Room (licensed to For the Child, Inc.), the Law Library (leased to the Los Angeles County Law Library), the Self-Help Legal Access Center (licensed to Neighborhood Legal Services), and other areas used by tenants that are more closely aligned to the Superior Court than to the County services.
- The County's share of the courthouse will include areas used exclusively by the County, including the Probation Department, the District Attorney, the Public Defender, and the Sheriff for all of its services that are not Court Services.

- The State's share of the courthouse will include a 76 percent share of all common areas, such as lobbies, parking and grounds, except that the State will be 100 percent responsible for management of, and revenue from, the lease of parking in Lot 67A to the City of Long Beach. The County's share of the courthouse will include the remaining 24 percent share of all common areas.
- The County will transfer title to the main courthouse, the modular structure, and Lot 67A, all part of Assessor's Parcel Number 7280-025-900, via the Quitclaim Deed, which will be substantially similar to Exhibit B of the Transfer Agreement, upon approval of the title documents by the State Public Works Board, and recordation by the County Recorder.
- The County will retain a 24 percent equity share of the property for which title is transferred, such that, when the parcel is sold, and under certain other circumstances, the County will receive its share of the proceeds.
- The County will be responsible to complete the Long Beach Courthouse Refurbishment and Seismic Retrofit Project (Capital Project CP-86497), which is budgeted and currently estimated to be completed in January 2009.
- The County will continue to own Lot 67B, and provide parking in that structure at the current service level. The State and County have committed to working together to complete the transfer of Lot 67B in the near future.
- If the State Department of Finance does not approve the CFP by October 1, 2007, either party to the agreement may terminate the agreement, and the transfer will be undone.

Joint Occupancy Agreement

The "Joint Occupancy Agreement between the Judicial Council of California, by and through the Administrative Office of the Courts, and the County of Los Angeles for the Long Beach Courthouse" is included in this Board letter as Attachment B. Under the Joint Occupancy Agreement:

- The State will pay its 76 percent share of all costs of facilities operations, including building and grounds maintenance and utilities charges, except that, for the first two years, State costs except utilities will be limited to the amount of the applicable portion of the CFP.
- The County will pay its 24 percent share of all costs of facilities operations.

- While the State has been officially designated the managing party for purposes of building management, the County has been delegated that responsibility for at least the first two years.
- The Internal Services Department (ISD) will provide services at substantially the same levels as it has in the past, including services in the County exclusive use areas, the Court exclusive use areas, and the common areas. Alterations and improvements which are not considered repairs will be completed by ISD, but only if funding is provided for those additional services.

Building Management Services to be Provided by ISD

Currently, ISD provides facilities operations services for all of the Superior Court facilities within the County. When the State is the majority user of a transferred courthouse, it has the right to become the Building Manager, and to hire its own staff or contract staff to provide facilities operations to that courthouse. When all of the courthouses are transferred, it is estimated that up to 115 ISD staff would no longer be required. Rather than accepting a layoff of that magnitude, the County and AOC negotiators concurred on a "soft landing" for the transfer of facilities operations services. While this concurrence has not yet been committed to a formal agreement, the AOC and the CAO are committed to formalizing the agreement prior to the transfer of the first one-third of courthouses.

The "soft landing" is as follows: 1) For at least the first two years after transfer, the County will retain all of the operations and maintenance responsibilities, subject only to our loss of those service responsibilities for default. 2) In the third year after transfer, the State will be able to assume operations and maintenance responsibility for up to one-third of the transferred courthouses, and in the fourth year, up to two-thirds. 3) It will be only in the fifth year, at the earliest, that the State will be able to assume all responsibilities for these services. This negotiated agreement will provide the County with at least two years of full staffing and two additional years of partial staffing, in order to allow ISD to mitigate, to some extent, the potentially required reduction in its staffing. ISD management recognizes and accepts that, if the State does assume responsibility in the shortest time period allowable by our soft landing plan, ISD will need to carefully plan workloads so as to minimize the impact of a reduction that would naturally occur through attrition over a seven-to-ten-year period.

Third Party Tenants

Prior to the facilities transfer, the Superior Court has entered into services agreements or had services arrangements with a number of third-party tenants in County courthouses. Upon transfer of title to the real property, the County will no longer have any liability for

those third party tenants that occupy State exclusive use areas or common areas. The Transfer Agreement includes two attachments that assign the two leases that can be assigned by the County to the Judicial Council. Recommendation 7 authorizes the CAO to terminate any other existing County leases and licenses that are no longer our responsibility. It is our expectation that the State will execute replacement agreements with each of the tenants.

Plan for Additional Court Transfers

In anticipation of the passage of SB 145, the County is continuing to work diligently with the AOC to transfer all of our remaining court facilities by the proposed December 31, 2008, deadline. Because the Act requires individual building-by-building transfer agreements, it is anticipated that approximately 53 additional transfer agreements will be presented to your Board before the end of 2008, along with joint occupancy agreements for those courthouses where the County shares use of the courthouse. In cases where the Superior Court is the majority tenant, the County will also be transferring title, either in the short term, or upon maturity of outstanding bonds. Along with the Long Beach Courthouse three additional courthouses, the Huntington Park Courthouse, the Santa Clarita Courthouse, and the Alfred J. McCourtney Juvenile Justice Center (Old Lancaster Courthouse) are considered by the Judicial Council to be "Immediate Need" priorities for State capital outlay, and will be among the next set of courthouses transferred. As a significant amount of documentation has been collected for the AOC on three of the leased court facilities, San Pedro Annex, Redondo Beach Courthouse, and Monrovia Warehouse, and because transfer of these leases should be relatively simple, it is anticipated that these facilities will also be among the next group to transfer. The San Fernando Courthouse documentation is nearly complete, and that courthouse is also expected to transfer early. Finally, we expect to begin gathering the necessary documentation for the transfer of the County's flagship court facility, the Stanley Mosk Courthouse, immediately after the start of the 2007-08 fiscal year.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are categorically exempt from the provisions of CEQA pursuant to Section 15301 of the State CEQA Guidelines, since the Long Beach Courthouse is an existing public facility, and the recommended actions involve negligible or no expansion of use of the facility.

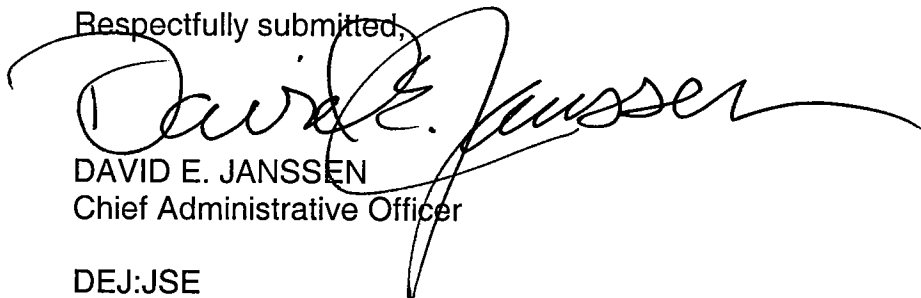
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Inasmuch as the State will continue to operate the Long Beach Courthouse for court purposes, the transfer will result in no significant impact in the levels or quality of services provided to County constituents. As part of the State-adopted Trial Court Capital Outlay Plan, the Long Beach Courthouse is scheduled for replacement with a new Superior Court facility, which is currently planned to include 31 courtrooms in a new building estimated at 306,000 square feet. The current plan is for the Judicial Council to enter into a public-private partnership to finance and construct the new courthouse, and to purchase the County's equity share in the current property. The estimated cost of construction is \$297 million and the targeted date of completion is mid-2012. We will continue to work with the AOC and other appropriate parties to assure the co-location of Court-related County departments, including the District Attorney, Public Defender, and Alternate Public Defender in the replacement courthouse.

CONCLUSION

Please return one adopted copy of this letter and two signed originals of each of the agreements to the Chief Administrative Office for further processing.

Respectfully submitted,

A large, stylized handwritten signature in black ink, reading "David E. Janssen". The signature is written over the printed name and title of the signatory.

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:JSE
MV:AT:mdc

Attachments (2)

c: County Counsel
Auditor-Controller
District Attorney
Internal Service Department
Public Defender
Department of Public Works
Sheriff
Los Angeles Superior Court

AOC Facility # 19-Y1;
County LACO # 4288
Long Beach Courthouse
415 W. Ocean Blvd., Long Beach, CA 90802

Attachment A

**TRANSFER AGREEMENT
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA,
by and through
THE ADMINISTRATIVE OFFICE OF THE COURTS
AND THE COUNTY OF LOS ANGELES
FOR THE TRANSFER OF RESPONSIBILITY FOR AND TITLE TO
THE LONG BEACH COURTHOUSE**

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TRANSFER AGREEMENT

1. PURPOSE

The Judicial Council of California, an entity established by the Constitution of the State of California (the “**Council**”), by and through the Administrative Office of the Courts, the staff agency to the Council (the “**AOC**”), and the County of Los Angeles, a body corporate and politic (the “**County**”), establish this Transfer Agreement, as of June __, 2007, (the “**Effective Date**”), and set forth the terms and conditions for the Transfer of Responsibility for funding and operation of the Court Facility commonly known as the Long Beach Courthouse and for conveyance to the State of California on behalf of the Council of the County’s title to the Real Property.

2. BACKGROUND

The Lockyer-Isenberg Trial Court Funding Act of 1997 (Chapter 850, Statutes of 1997, as amended) provides for transfer of the primary obligation for funding of court operations from the counties to the State. The restructuring of funding for trial court operations accomplished by the Lockyer-Isenberg Trial Court Funding Act of 1997 ended a dual system of county and state funding of, and created a more stable and consistent funding source for, trial court operations. The Trial Court Facilities Act of 2002 was adopted to provide for the transfer of responsibility for funding and operation of trial court facilities from the counties to the Council. The Parties enter into this Agreement to implement the provisions of the Act as it exists on the Effective Date.

3. DEFINITIONS

“**Acceptance Document**” means a certificate of acceptance or certified resolution evidencing the PWB’s approval of the Transfer of Title.

“**Act**” means the Trial Court Facilities Act of 2002 (Chapter 1082, Statutes of 2002, as amended, including Government Code sections 70301-70404), as of the Effective Date.

“**Agreement**” means this Transfer Agreement, together with the attached Exhibits.

“**Assignments of Occupancy Agreements**” means the documents titled Assignment and Assumption of Occupancy Agreement that are attached to this Agreement as **Exhibit “C”**.

“**Building**” means the building commonly known as the Long Beach Courthouse, located at 415 West Ocean Boulevard, Long Beach, California, 90802, on the Land in which the Court Facility is located, all Building Equipment, and all connected or related

structures and improvements, including the modular court structure located to the north of the Long Beach Courthouse that is currently used by the Superior Court for Traffic Court, and designated Department 12.

“Building Equipment” means all installed equipment and systems that serve the Building generally, and only that plumbing that is within the walls of the Building or in the Common Area, but not those plumbing fixtures that are located in an Exclusive-Use Area. The Building Equipment does not include the equipment and systems that exclusively serve the Exclusive-Use Area of only one Party.

“Closing” means the performance of all acts required to complete the Transfers under this Agreement, the Transfer Documents and the Act.

“Common Area” means the areas of the Real Property that are used non-exclusively and in common by, or for the common benefit of, the Council, the County, the Superior Court, and the Occupants, and includes (1) those portions of the Building depicted as Common Area on **Exhibit “E,”** including hallways, stairwells, elevators, and restrooms that are not located in either Party’s Exclusive-Use Area, (2) foundations, exterior walls, load-bearing walls, support beams, exterior windows, the roof, and other structural parts of the Building, (3) Building Equipment that does not exclusively serve only one Party’s Exclusive-Use Area, (4) driveways, walkways, and other means of access over the Land and to the Building, (5) all Utilities, (6) that portion of the underground tunnel used for transport of prisoners between the Building and the City jail facility that is located under the Land, and (7) any of the Land not otherwise defined as either Party’s Exclusive-Use Area, including the On-Site Parking Area. The Common Area does not include any part of the Exclusive-Use Area of either Party, except for any Building Equipment that is located in a Party’s Exclusive-Use Area.

“Consent Decree” means the Executed Consent Decree filed on January 31, 2006 in the matter captioned *Miles, et al. v. County of Los Angeles, et al.*, USDC-CD No. CV 02-03932.

“Controller” means the State Controller.

“Council Authorized Signatory” means the AOC’s Business Services Manager, Grant Walker.

“County Authorized Signatory” means the person or persons authorized by the County Board of Supervisors to execute this Agreement and the Transfer Documents as designated in the County Authorizing Document.

“County Authorizing Document” means a copy of a certified order by the County Board of Supervisors evidencing that the County has taken all steps and obtained all approvals required to: (1) authorize the County Authorized Signatory to execute this Agreement and the Transfer Documents on behalf of the County; and (2) authorize the County to perform its obligations under this Agreement and the Transfer Documents.

“County Auto Park 67A” means the surface parking lot located on the Land directly to the north of the Building.

“County Auto Park 67B” means the County-owned parking structure located at 101 Magnolia Avenue, Long Beach, CA, across the street from the Building, which contains a total of 977 parking spaces.

“County Board of Supervisors” means the governing body of the County.

“County Exclusive-Use Area” means the 39,403 square feet of the Building that are exclusively occupied and used by the County, as depicted on **Exhibit “E”** to this Agreement. As of the Effective Date, the County Exclusive-Use Area constitutes 24.41 percent of the Total Exclusive-Use Area.

“County Facilities Payment” means the payments the County must make to the Controller with respect to the Court Facility under Article 5 of the Act.

“County Parties” means the County, and its respective officers, agents, and employees.

“Court Exclusive-Use Area” means the 121,990 square feet of the Building interior that are exclusively occupied and used by the Superior Court, as depicted on **Exhibit “E”** to this Agreement. As of the Effective Date, the Court Exclusive-Use Area constitutes 75.59 percent of the Total Exclusive-Use Area.

“Court Facility” means the Court Exclusive-Use Area, the Superior Court Parking, the Superior Court’s non-exclusive right to occupy and use the Common Area, and the Superior Court’s exclusive and non-exclusive rights to occupy and use the other spaces, fixtures, and appurtenances described in section 70301(d) of the Act, as allocated in this Agreement. A copy of a site plan depicting the location of the Building and the On-Site Parking Area on the Land, and a set of floor plans depicting the layout of the Court Facility in the interior of the Building, are attached as **Exhibits “D” and “E”** to this Agreement.

“Dispute” means each and every pending or threatened claim, liability, litigation, arbitration, mediation, administrative proceeding, settlement negotiation, or other

dispute-resolution proceeding, between the County and any Third Party, related to the Real Property. An accurate and complete list of all Disputes as of the Effective Date is set forth in **Exhibit “G”**.

“DOF” means the State Department of Finance.

“Equipment Permits” means any governmental permits, certificates, and approvals required for lawful operation of any of the Building Equipment.

“Equity” means the term “equity” as used and referred to in the Act.

“Exclusive-Use Area” means the Court Exclusive-Use Area or the County Exclusive-Use Area, as determined by the context in which the term is used.

“Hazardous Substance” means any hazardous or toxic material, substance, or waste that is regulated or governed by any Law.

“HCD” means the State Department of Housing and Community Development.

“Indemnified Loss” means all claims, demands, liabilities, damages, attorney fees, costs, expenses, and losses as to which either Party is obligated to indemnify the other Party under this Agreement or the Transfer Documents.

“Intangible Personal Property” means all of the County’s: (1) Building Software and agreements or arrangements for the operation of the Building Equipment; (2) warranties, permits, licenses, certificates, guaranties, and suretyship agreements and arrangements, and indemnification rights in favor of the County with respect to the Real Property; (3) commitments, deposits, and rights for utilities relating to the Real Property to the extent related to the period on and after the Responsibility Transfer Date; (4) engineering, accounting, title, legal, and other technical or business data concerning the Real Property or the Tangible Personal Property; (5) deposits, deposit accounts, and escrow accounts arising from or related to any transactions related to the Property, and rights to receive refunds or rebates of impact fees, assessments, charges, premiums, or other payments made by the County in respect of the Property, if these refunds or rebates relate to the period on and after the Responsibility Transfer Date; or (6) all other intangible rights, interests, and claims of the County which are a part of or related to the Property.

“JOA” means the document titled Joint Occupancy Agreement, which will be signed by the Parties concurrently with their execution of this Agreement.

“Land” means the real property on which the Building and the On-Site Parking Area are located, comprising approximately 3.78 acres as described on **Exhibit “A,”**

including (1) rights to enter and exit the Land, (2) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Land, and (3) existing, granted development permits, entitlements, and air and view rights, but subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights of way of record, if any.

“Law” means State and federal codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives, to the extent binding on the County, the Council, the AOC, the Superior Court, or the Real Property, and issued by a court or governmental entity with jurisdiction over the County, the Council, the AOC, the Superior Court, or the Real Property.

“Managing Party” means the Council, which is the Managing Party under the JOA, subject to the Council’s delegation to the County of the Managing Party’s rights and duties under the JOA.

“Master License Agreement” means the Master License Agreement for the Operation of Vending Facilities in County Buildings as Business Enterprises for the Blind, dated July 31, 1990, between the County and the State Department of Rehabilitation under which Vending Facilities are located in the Building.

“Material Agreements” means any and all agreements, contracts, or understandings (whether written or unwritten) between the County and any Third Party relating to the Property (1) for which termination requires advance notice by a period of or exceeding 30 calendar days, or (2) that obligate the County to make payment, or entitle the County to receive payment, exceeding \$25,000 within any fiscal year.

“Occupancy Agreement” means any agreement or arrangement that entitles a Third Party to occupy or use the Real Property for a period that continues after the Responsibility Transfer Date, and that cannot be terminated on fewer than 30 days notice.

“Occupant” means any Third Party, that occupies, possesses, or uses the Real Property, whether or not there exists an Occupancy Agreement.

“On-Site County Parking” means a total of 20 parking spaces in the On-Site Parking Area that are allocated to County staff and employees, 9 of which parking spaces are in the secured, underground parking area beneath the Building, and 11 of which parking spaces are in County Auto Park 67A, all as shown on **Exhibits “D” and “E”** to this Agreement.

“On-Site Parking Area” means (i) the secured, underground parking area beneath the Building, which includes a total of 40 parking spaces; and (ii) County Auto

Park 67A, which includes a total of 205 parking spaces; and (iii) the common areas of those parking lots, including the entrances, exits, driving and turnaround lanes, aprons, lighting, landscaping, and any kiosks or other structures in those parking lots. The On-Site Superior Court Parking and the On-Site County Parking are located in the On-Site Parking Area. The Transfer Title will include the On-Site Parking Area as provided in this Agreement.

“On-Site Superior Court Parking” means a total of 63 parking spaces in the On-Site Parking Area that are allocated to judges, Superior Court staff and employees, or jurors, 31 of which parking spaces are in the secured, underground parking area beneath the Building, and 32 of which parking spaces are in County Auto Park 67A, all as shown on **Exhibits “D”** and **“E”** to this Agreement. The Transfer of Responsibility will include the On-Site Superior Court Parking, as provided in this Agreement.

“Operation” means the administration, management, maintenance, and repair of designated areas of the Real Property.

“Party” means either of the Council or the County, and **“Parties”** means the Council and the County together.

“Pending Projects” means any pending or in-process maintenance project or other project involving the Court Facility under sections 70326(d) or 70331(c) of the Act, including the Seismic Retrofit Project.

“Property Disclosure Documents” means all documents, including Material Agreements, that provide material information relative to the title, ownership, use, occupancy, or condition of the Real Property or any rights, benefits, liabilities, obligations, or risks associated with the Real Property. A list of the categories of Property Disclosure Documents is attached as **Exhibit “F”**.

“Provided Superior Court Parking” means a quarterly average of 425 parking spaces per day that the County will provide and allocate to the Council, for use by the Superior Court in respect of the Court Facility, in the County parking structure commonly known as County Auto Park 67B, on the terms set forth in section 4.3.10 of this Agreement and in the JOA.

“PWB” means the State Public Works Board.

“Quitclaim Deed” means the document entitled Quitclaim Deed that is similar in form and content to the document attached to this Agreement as **Exhibit “B”** and by which the County will convey to the State title to the Real Property when accepted by the PWB and recorded by the County Recorder.

“Real Property” means the Land and the Building.

“Responsibility Transfer Date” means the first day of the first month following the Effective Date, which is the date on which the Transfer of Responsibility will take place.

“Responsibility Transfer Documents” means the documents listed in section 5.1.1 of this Agreement.

“Security-Related Areas” means the parts of the Real Property that are used for secure holding and transport of prisoners, including holding cells, sallyports, and secured elevators, staircases, and hallways.

“Security Services MOU” means the Memorandum of Understanding and Comprehensive Court Security Plan between the County Sheriff’s Department and the Superior Court executed in March and April, 2004 by the parties, respectively, as amended or replaced from time to time.

“Seismic Retrofit Project” means the Long Beach Courthouse Refurbishment and Seismic Retrofit Project, County Capital Project #CP-86497.

“Shares” has the meaning given to it in the JOA.

“State” means the State of California.

“State Parties” means the State of California, the Council, the AOC, and the Superior Court, and each of their respective officers, agents, and employees.

“Superior Court” means the Superior Court of California, County of Los Angeles.

“Superior Court Parking” means, together, the On-Site Superior Court Parking and the Provided Superior Court Parking. The County and the Superior Court have agreed that the Superior Court Parking is parking of the same number, type, and convenience as the parking made available for Superior Court use on October 1, 2001.

“Tangible Personal Property” means any unaffixed item that is, on the Transfer Date, located on or in, or used in, and is necessary to the operation of, the Real Property, except that it does not include any tangible personal property necessary to provide telecommunications services.

“Third Party” means any person, entity, or governmental body other than a State Party or a County Party.

“Title Transfer Date” means the date on which the Quitclaim Deed is recorded in the office of the County Recorder.

“Title Transfer Documents” means the documents listed in section 5.2.1 of this Agreement.

“Total Exclusive-Use Area” means, together, the Court Exclusive-Use Area and the County Exclusive-Use Area.

“Transfer” means either one, and **“Transfers”** means both, of the Transfer of Responsibility and the Transfer of Title.

“Transfer Documents” means the Responsibility Transfer Documents and the Title Transfer Documents, together.

“Transfer of Responsibility” means the County’s full and final grant, transfer, absolute assignment, and conveyance to the Council, and the Council’s full and final acceptance and assumption of, entitlement to and responsibility for, all of the County’s rights, duties, and liabilities arising from or related to the Court Facility, in accordance with this Agreement, except that the Transfer of Responsibility will not include those duties and liabilities expressly retained by the County under this Agreement and the Act, or any responsibility for Disputes arising from or related to facts or circumstances occurring prior to the Responsibility Transfer Date.

“Transfer of Title” means the County’s conveyance to the State of any and all right, title, and interest the County has, or may have, in and to the Real Property.

“Utilities” means all of the utilities provided to the Real Property, except for telecommunications services provided by the County or by Third Parties.

“Vending Facility” has the meaning given to it in section 19626 of the Welfare and Institution Code.

4. RESPONSIBILITIES AFTER TRANSFER

4.1 Transfer of Responsibility; Transfer of Title. On the Responsibility Transfer Date, the Transfer of Responsibility for the Court Facility from the County to the Council will occur under this Agreement and the Responsibility Transfer Documents. On the Title Transfer Date, the Transfer of Title will occur under this Agreement and the Title Transfer Documents. Prior to the Title Transfer Date, the AOC will notify the County, in accordance with section 13 of this Agreement, that the PWB has accepted the Title Transfer Documents required for the Transfer of Title and issued the Acceptance Document.

4.2 General Responsibilities After Transfer of Responsibility. Upon the Transfer of Responsibility, the Parties will have the general rights, duties, and liabilities set forth in the Act in respect of the Court Facility, except as may be expressly delegated by the Parties in this Agreement and the Responsibility Transfer Documents.

4.3 Specific Responsibilities After Transfer of Responsibility. The Parties will have the following specific rights, duties, and liabilities after the Transfer of Responsibility:

4.3.1 Utilities. The County will be responsible to pay all charges and fees for the Utilities provided to the Court Facility during all periods prior to the Responsibility Transfer Date, and the Parties will be responsible for payment of the fees and charges for Utilities provided to the Real Property on and after the Responsibility Transfer Date on the basis of their respective Shares, as provided in the JOA.

4.3.2 Property Insurance. Neither Party will have any obligation to provide insurance coverage for the Real Property. The County will continue to be solely liable for any County owned or leased personal property located on or in the Real Property that is required to provide telecommunications services to the Superior Court. However, this liability shall not limit the County from including costs related to repair, upgrade, or replacement of such County owned or leased personal property necessary for telecommunications services in its charges to the Superior Court for those services.

4.3.3 Building Equipment. As of the Responsibility Transfer Date, the Managing Party is responsible for further permitting of any Building Equipment that requires an Equipment Permit for lawful Operation, once the County has delivered to the AOC the most recent copies of all required Equipment Permits, whether current or expired, as of the Responsibility Transfer Date; provided, however, that if any of the Equipment Permits are expired or are otherwise not in full force and effect as a result of the County's failure to exercise diligent, good faith efforts or the County's negligence, the County will be solely responsible for all costs associated with obtaining or renewing those Equipment Permits.

4.3.4 Security-Related Areas. The County Sheriff's Department will remain responsible for the secure entry, exit, transport, and holding of prisoners attending Superior Court sessions to, from, through, and in the Security-Related Areas of the Court Facility, including but not limited to the holding cells, sallyport, secured elevators and staircases, and secured corridors, pursuant to the Security Services MOU. The County will remain solely liable and responsible for all violations that, as of the Responsibility Transfer Date, have been identified by the State Board of Corrections, as to any Security-Related Areas of the Real Property. This Agreement does not supersede, replace, or

modify the Security Services MOU or any other agreement between the County and the Superior Court with respect to security staffing for the Court Facility.

4.3.5 Disputes. The County will promptly notify the Council in writing of any Dispute that arises after the Transfer Date that concerns or alleges: (1) acts or omissions of the County committed at any time prior to the Responsibility Transfer Date related to the Real Property; or (2) an event or incident to which the County's indemnification obligations in section 8.2 of this Agreement do or may apply. The County will manage and be responsible to resolve those Disputes, but the Council may elect, but is not required, to retain its own attorney, at Council's sole expense, to participate in the litigation, settlement negotiations, or other dispute-resolution procedures for those Disputes. If the Council elects to retain its own attorney to participate in the litigation, settlement negotiations, or other dispute-resolution procedures for a Dispute, the County will cooperate with the participation by the Council and its attorney, and the Council and its attorney will cooperate with the County.

4.3.6 Personal Property. If either of the Parties determines that there exists any Tangible Personal Property or Intangible Personal Property not previously transferred or assigned to the State Parties, that Party will promptly provide to the other Party a notice that includes a reasonably detailed, written description of that property, and how it is necessary to the Operation of the Real Property. At the Council's request, the County and the Council will promptly meet and confer to determine the proper disposition of the Tangible Personal Property or Intangible Personal Property described in that notice.

4.3.7 Adjustments. The Parties will make the appropriate adjustments for prorations or computations required by this Agreement or the Transfer Documents as promptly as possible once accurate information becomes available evidencing that either Party is entitled to an adjustment. Adjustments will be made on a basis mutually acceptable to the Parties. The Party entitled to the adjustment will make written demand on the other Party for the adjustment within one year after the applicable Transfer Date and will provide a reasonably detailed explanation of the basis for the demand and all supporting documentation. The Parties will promptly pay each other any corrected proration or adjustment amounts.

4.3.8 Occupancy Agreements.

4.3.8.1 Allocation of Responsibility and Rights to Revenue. On the Title Transfer Date, the County will assign to the Council, and the Council will assume from the County, those Occupancy Agreements described in the Assignments of Occupancy Agreements. Notwithstanding the Transfers, the County will continue to be responsible for, and will be entitled to all revenue arising from, all Occupancy

Agreements under which space in the County Exclusive-Use Area or County Auto Park 67B is occupied or used by any Occupant. On and after the Responsibility Transfer Date, the Parties will work with the State Department of Rehabilitation to ensure the transfer of the Vending Facilities located in the Building under the Master License Agreement, and the continuity of the vending services in the Building. The County will promptly pay to the AOC all payments or prepayments it receives from an Occupant for use or occupancy of the Court Facility on or after the Responsibility Transfer Date, and the Council and the AOC will promptly pay to the County all payments or prepayments they receive from an Occupant for use or occupancy of the County Exclusive-Use Area on or after the Responsibility Transfer Date. The Council will have the right to receive all revenue from Occupants of the Court Facility for all periods on and after the Responsibility Transfer Date.

4.3.8.2 Unassigned Occupancy Agreements. The Parties acknowledge that certain of the Occupancy Agreements under which an Occupant occupies or uses space in the Court Exclusive-Use Area will not be assigned to the Council under the Assignments of Occupancy Agreements (the “**Unassigned Occupancy Agreements**”). The Parties have agreed to alternate mechanisms for transferring to the Council and the AOC responsibility for the Unassigned Occupancy Agreements, as follows:

(a) For The Child, Inc. (d/b/a Kids’ Place), County License #COL-428, is the Occupant of approximately 1,100 square feet on the first floor of the Building pursuant to an expired License Agreement. By no later than the Title Transfer Date, the County will notify the Occupant of the termination of the existing license agreement, and the Council will enter into a new occupancy arrangement with this Occupant on terms satisfactory to the Council, the AOC, and the Superior Court;

(b) Long Beach Bar Association, County License #COL-460, is the Occupant, on Tuesday and Thursday nights, of certain space in the Building that is currently called Departments 9 and 10 under an expired license agreement. By no later than the Title Transfer Date, the County will notify this Occupant of the termination of the existing license agreement, and the Council will either cause this Occupant to vacate the Building or enter into a new occupancy arrangement with the Occupant on terms satisfactory to the Council and the AOC;

(c) Los Angeles Police Department; Los Angeles City Attorney are Occupants of Rooms 206D and 308 in the Building without any written Occupancy Agreements. Prior to the Effective Date, the County was in the process of negotiating a written lease with the Occupants, and the County has provided a draft of that lease to the Council and the AOC. On the Responsibility Transfer Date, the Council

and the AOC will assume from the County responsibility for negotiation and completion of an occupancy arrangement between the Council and these Occupants, and by no later than the Title Transfer Date, the Council will either cause these Occupants to vacate the Building or enter into an occupancy arrangement with them on terms satisfactory to the Council and the AOC;

(d) Neighborhood Legal Services (d/b/a Self-Help Legal Access Center) has, prior to the Effective Date, occupied certain space on the fifth floor of the Building without any written Occupancy Agreement. The County has negotiated a written, countywide occupancy agreement with this Occupant, which the County anticipates will be fully signed before the Responsibility Transfer Date. By no later than the Title Transfer Date, the County will amend the countywide occupancy agreement to exclude the space occupied by this Occupant in the Building, and the Council will either cause this Occupant to vacate the Building or enter into an occupancy arrangement with this Occupant on terms satisfactory to the Council and the AOC.

4.3.8.3 Council's Responsibility Prior to Assignments of Occupancy Agreements. Notwithstanding that the Assignments of Occupancy Agreements will not take effect until the Title Transfer Date, commencing on the Responsibility Transfer Date, the Council and the AOC will be responsible and liable for all Occupancy Agreements under which an Occupant occupies or uses space in the Court Exclusive-Use Area, including both the Unassigned Occupancy Agreements and the Occupancy Agreements that will be assigned to the Council on the Title Transfer Date. The Council's responsibility and liability will include payment of all County costs and performance of all County obligations under those Occupancy Agreements, as well as responsibility and liability for all space in the Court Exclusive-Use Area that is occupied or used by the Occupants under those Occupancy Agreements, and the Council and the AOC will also be entitled to all rights and benefits accruing to the County under those Occupancy Agreements, including to the extent applicable, insurance coverage, indemnification rights, and rent, license fees, and other consideration paid by the Occupants in respect of their respective rights to occupy and use space in the Building. The County, the Council, and the AOC will cooperate with one another to ensure that the Council and the AOC are able to (i) perform their duties and exercise their rights under such Occupancy Agreements during the period prior to the effective date of the Assignments of Occupancy Agreement, and (ii) take the steps necessary to comply with the obligations of the Council and the AOC in respect of each of the Unassigned Occupancy Agreements, under section 4.3.8.2 of this Agreement.

4.3.9 Telecommunication Services. As of the Responsibility Transfer Date, telecommunication services, including telephone, voicemail, computer networking, and wireless communications, are provided to the Superior Court by the County. In

addition, the Building houses a “node” or “hub” which may connect telecommunication systems between and among other County-owned or -occupied buildings. Components of the County’s telecommunication system include wiring, switches, routers, optical fibers, power supplies, cable modems, and antennas, all of which shall remain the sole personal property of the County notwithstanding the Transfers.

4.3.10 Parking.

4.3.10.1 On-Site Parking Area. The Managing Party is responsible for the Operation of the On-Site Parking Area under the terms of the JOA.

4.3.10.2 County Auto Park 67B; Provided Superior Court Parking. In addition to the Transfer of Responsibility for, and Transfer of Title to, the On-Site Superior Court Parking, the County will also provide (but not Transfer) to the Council, for use by the Superior Court on a first come, first served basis, the Provided Superior Court Parking, which is located in County Auto Park 67B. The County will be solely responsible for Operation of County Auto Park 67B, including the Provided Superior Court Parking, at the County’s sole expense. The Superior Court will have the right to notify the County in advance of the anticipated number of parking spaces needed in County Auto Park 67B on particular days, and if so notified, the County will make a good faith effort to ensure that sufficient parking is available for the Superior Court in County Auto Park 67B on those days. The County will provide an annual report to the Council and the Superior Court confirming the average daily number of parking spaces provided by the County to the Council, for use by the Superior Court, in County Auto Park 67B for each fiscal quarter during the prior year. If any of the parking spaces in the Provided Superior Court Parking become unavailable for Superior Court use in accordance with this section 4.3.10.2 such that the Superior Court has fewer than 425 parking spaces available to it in County Auto Park 67B, the County will be responsible to provide, at no cost to the State Parties, alternate parking spaces of comparable number, type, and convenience to the parking spaces in County Auto Park 67B that are no longer available. The Parties acknowledge that County is providing the Provided Superior Court Parking to the Council in County Auto Park 67B as an interim measure until such time as the Parties are able to transfer responsibility for County Auto Park 67B to the Council under the Act.

4.3.11 Seismic Retrofit Project. Prior to the Effective Date of this Agreement, the County commenced construction of the Seismic Retrofit Project in the Building. The AOC has reviewed the County’s preliminary design information for the Seismic Retrofit Project, and based upon that review, the AOC hereby represents and warrants to the County that if the County completes the Seismic Retrofit Project substantially in accordance with the preliminary design information reviewed by the AOC, the Building will be eligible for the Transfer of Responsibility based on a level V

seismic rating on the Risk Acceptability Table of the State Building Seismic Program as developed by the Division of the State Architect, as of April 1994, p. 11-2. The County hereby represents and warrants to the Council that the County will complete the Seismic Retrofit Project, including completion of all punch list items and issuance of a final certificate of occupancy, certificate of completion (or similar approval) at the County's sole cost (anticipated to be approximately \$13.9 million) in or about January 2009. In connection with the Seismic Retrofit Project, the County agrees to require its general contractor, its architect, its structural engineer, and any other contractors, subcontractors, and consultants that insure the County in respect of the Seismic Retrofit Project, each to add the State Parties, by specific endorsement, as insureds or covered parties on all insurance policies that the County requires those contractors and consultants to maintain in respect of the Seismic Retrofit Project, and to cover and protect the State Parties under those insurance policies to the same extent and on the same terms that such contractors and consultants are required to cover the County under those insurance policies in respect of the Seismic Retrofit Project. The County further agrees to work with the Council and the AOC, diligently and in good faith, to cause the State Parties to be indemnified, defended, and held harmless by the County's general contractor, its architect, its structural engineer, and other contractors, subcontractors, and consultants in respect of the Seismic Retrofit Project to the same extent and against the same risks for which those contractors and consultants indemnify, defend, and hold harmless the County. Prior to the Title Transfer Date, the Parties will work together, diligently and in good faith, to identify and to provide appropriate protection to the State Parties from and against any other risks associated with the performance of the Seismic Retrofit Project on the Real Property on and after the Title Transfer Date, including, as appropriate, assignment to the Council of construction and manufacturers' warranties, payment, performance, or other bonds provided by the County's general contractor, architect, or structural engineer, and the as-built plans for the Building showing the Building after the Seismic Retrofit Project is completed.

4.3.11.1 Allocation of Liabilities, Responsibilities, and Obligations. Commencing on the Effective Date, the liabilities and obligations of the Parties (including indemnification obligations) with respect to any seismic-related damage and injury on and to the Real Property are as set forth in section 70324 of the Act, a copy of which is attached to this Agreement as **Exhibit "H"** and incorporated into this Agreement as though fully set forth herein. At all times that section 70324 of the Act applies in respect of the Building, the terms of section 70324 of the Act will prevail over any conflicting provisions of the Act, this Agreement, and the Transfer Documents. As provided in section 70324(d) of the Act, in no event will section 70324 of the Act be deemed to impose greater liability on the County for seismic-related damage to Third Parties than the County would have if the Transfers had not occurred. Section 70324 of the Act will continue to apply until any one of the events described in section

70324(b)(1) through (4) of the Act has occurred notwithstanding any subsequent repeal of section 70324 of the Act.

4.3.11.2 County Liability and Obligations. Without limiting the generality of section 4.3.11.1 of this Agreement, the County acknowledges and agrees that its liability under section 70324(a) of the Act includes: (i) costs to repair the seismic-related damage to the Building in order to bring the portions of the Building damaged by the seismic-related event back to the condition in which they existed immediately prior to the seismic-related event; (ii) costs of any upgrades to the Building that are required by Law as a result of the repair of the seismic-related damage to the Building; (iii) costs of relocating the Superior Court to alternate necessary and suitable temporary facilities if and to the extent that (a) the Building is deemed unsafe for occupancy by the Superior Court during the period that the County is repairing the seismic-related damage to the Building, or (b) the Parties agree that it will be more efficient for the County to make the repairs of the seismic-related damage to the Building if the Building is entirely or partially vacant.

4.3.12 Relief from Section 70311 Obligations. Effective upon the Responsibility Transfer Date, the Council confirms and agrees that the County will be, and is, relieved of any responsibility under section 70311 of the Act for providing to the Superior Court those necessary and suitable court facilities currently located in the Building and the Superior Court Parking on the Effective Date, except as specifically provided in this Agreement and the Act.

4.3.13 Equity in the Building.

4.3.13.1 Mechanisms for Compensating County. If the Council provides a replacement courthouse for all or part of the Court Facility located in the Building, the Parties agree to work together in good faith to determine the best mechanism for compensating the County for its Equity interest in the Building. Such a mechanism could include the Council providing the County with office space in the replacement courthouse that is substantially equivalent in size and functionality to the County Exclusive-Use Area, on terms that are mutually agreeable to the County and the Council, in exchange for the County's Equity interest in the Building. Notwithstanding any modification or amendment that the Parties may make to their respective Shares under the JOA for the purpose of allocating responsibility for payment of "Shared Costs" (as defined in the JOA), any such modification or amendment will not affect, or be deemed to affect, the Parties' respective Equity interests in the Building unless the modification or amendment to the JOA expressly provides for a change to the Parties' respective Equity interests in the Building.

4.3.13.2 Parties' Rights Upon Sale of Real Property. If the State sells the Real Property to a Third Party after the Title Transfer Date, the Parties will allocate the net proceeds of the sale as follows, except only if the Parties have agreed to an alternate mechanism for compensating the County for its Equity interest in the Building under section 4.3.13.1, above:

(a) If the State sells the entirety of the Real Property to the same Third Party buyer, the Parties will allocate the net proceeds of the sale on the basis of their respective Shares;

(b) If the State divides the Real Property into two parcels, one of which is comprised of County Auto Park 67A and the Land immediately surrounding it, and the other of which is comprised of the entire remainder of the Real Property, and if the State sells the two parcels to different Third Party buyers, then 94.63 percent of the net proceeds of the sale of the County Auto Park 67A parcel will be allocated to the State, and 5.37 percent of the net proceeds of the sale of the County Auto Park 67A parcel will be allocated to the County, and the Parties will allocate the net proceeds of the sale of the entire remainder of the Real Property on the basis of their respective Shares;

(c) If the State divides the Real Property into two parcels, one of which is comprised of the 162 parking spaces in County Auto Park 67A that are leased to the City of Long Beach and the Land immediately surrounding those parking spaces, and the other of which is comprised of the entire remainder of the Real Property (including the remainder of County Auto Park 67A), and if the State sells the two parcels to different Third Party buyers, then 100 percent of the net proceeds of the sale of the parcel comprised of the 162 parking spaces in County Auto Park 67A will be allocated to the State, and the Parties will allocate the net proceeds of the sale of the entire remainder of the Real Property on the basis of their respective Shares; and

(d) If the State sells some or all of the Real Property to one or more Third Parties in a way that is not contemplated in this section 4.3.13.2, then prior to the closing of that sale (or the closing of the first of the sales to occur), the Parties will meet and confer, in good faith, to determine the proper allocation of the net proceeds of the sale or sales.

4.3.14 Transfer of Title to Modular Court Structure. In the event that the Parties determine that the modular court structure that is located to the north of the Long Beach Courthouse, and in which the courtroom currently designated Department 12 by the Superior Court is located, is not affixed or attached to the Land or to a foundation system on the Land, or that it is, or is required by Law to be, titled by or registered with HCD, then the Parties will cooperate with one another, in good faith, to take all actions

and sign all documents that are necessary to cause the modular court structure to be properly titled and registered by HCD in the name of the Council, and to transfer to the Council all right, title, and interest of the County in and to the modular court structure, as promptly as reasonably possible, but in no event before the Title Transfer Date.

4.4 Specific Responsibility After Effective Date. After the Effective Date, the County will not: (1) transfer or agree to transfer any right, title, or interest in the Real Property to any Third Party; (2) enter into any agreement concerning the Real Property without the Council's prior written consent; (3) do anything that would result in a change to the zoning or entitlements for use of the Real Property; or (4) act or fail to act in any way that results in the Real Property being subject to a deficiency under section 70326(b) of the Act.

5. THE CLOSING

5.1 The Transfer of Responsibility; Responsibility Transfer Date. The Responsibility Transfer Date will occur upon the first day of the first month following the Effective Date. The Responsibility Transfer Date will not be affected by the date of delivery of the signed Responsibility Transfer Documents.

5.1.1 Responsibility Transfer Documents. The only Responsibility Transfer Document is the JOA.

5.1.2 Time For Signature. The Parties will sign the Responsibility Transfer Documents prior to or concurrently with the Effective Date.

5.1.3 Conditions for Transfer of Responsibility. Neither of the Parties will be obligated to consummate the Transfer of Responsibility unless the following conditions are satisfied or waived prior to the Responsibility Transfer Date. The conditions for the benefit of the County may only be waived by the County, and the conditions for the benefit of the Council may only be waived by the Council.

5.1.3.1 Conditions for the Benefit of the Council. All of the County's representations and warranties in this Agreement must be accurate and complete in all material respects as though made on the Responsibility Transfer Date; the County shall not have breached any of the County's representations, warranties, or covenants in this Agreement; there must be no County Event of Default under this Agreement nor any circumstance which, but for the passage of time or the giving of notice or both, would constitute a County Event of Default as of the Responsibility Transfer Date.

5.1.3.2 Conditions for the Benefit of the County. All of the Council's representations and warranties in this Agreement must be accurate and complete in all material respects as though made on the Responsibility Transfer Date; the Council shall not have breached any of the Council's representations, warranties, or covenants in this Agreement; and there must be no Event of Default by the Council or the AOC under this Agreement nor any circumstance which, but for the passage of time or the giving of notice or both, would constitute an Event of Default by the Council or the AOC as of the Responsibility Transfer Date.

5.1.4 Delivery of Signed Agreement, Responsibility Transfer Documents, and County Authorizing Document. The County must deliver signed originals of this Agreement and the Responsibility Transfer Documents, as well as a copy of the County Authorizing Document, to the Council within 10 business days after the Effective Date.

5.1.5 Delivery of Possession. On the Responsibility Transfer Date, the County will deliver to the Council custody and control over the Court Facility.

5.2 Transfer of Title; Title Transfer Date. The Title Transfer Date will occur upon the recordation of the Quitclaim Deed in the office of the Los Angeles County Recorder. By completing the Transfer of Title, the County will not waive, relinquish, limit, diminish, or convey to the State, to any extent whatsoever, the County's Equity interest in the County Exclusive-Use Area of the Building, which Equity interest of the County will be and remain the right and entitlement of the County, except only if the Council has purchased the County's Equity interest in the County Exclusive-Use Area of the Building in exchange for fair market value consideration.

5.2.1 The Title Transfer Documents. The Title Transfer Documents are as follows:

- (a) the Quitclaim Deed; and
- (b) the Assignments of Occupancy Agreements.

5.2.2 Execution and Delivery of Title Transfer Documents. The County will execute and deliver the Title Transfer Documents to the Council within 30 days after the Responsibility Transfer Date. The Council and the AOC will endeavor to present this Agreement, the signed Title Transfer Documents, and the County Authorizing Document to the PWB for approval of the Transfer of Title within sufficient time prior to the Title Transfer Date to enable the Parties to effect the Transfer of Title on October 1, 2007. The Parties will work together, in a good faith, cooperative manner, to effect the Transfer of Title.

5.2.3 Cooperation. The County will cooperate fully with the Council to resolve to the satisfaction of the PWB any condition of the Real Property that may prevent the PWB's approval of the Transfer of Title. The Parties mutually intend that no circumstance that may prevent or delay the Transfer of Title will in any way limit or delay the Transfer of Responsibility.

5.2.4 Delivery of Title. On the Title Transfer Date, the County will deliver to the State title to the Real Property.

5.2.5 Additional Transfer of Title Conditions for the Benefit of the Council. In addition to the conditions set forth in section 5.1.3, above, the Council is not obligated to consummate the Transfer of Title unless on or before the Title Transfer Date: the PWB has approved the Transfer of Title as evidenced by the Council's receipt of the Acceptance Document; and a title insurance company acceptable to the State Parties is irrevocably committed to issue an owner's policy of title insurance to the State on the Title Transfer Date insuring the State's title to the Real Property, subject only to exceptions acceptable to the State Parties, in the reasonable exercise of their discretion.

6. COUNTY FACILITIES PAYMENT

6.1 Amount of County Facilities Payment. The amount of the County Facilities Payment submitted to the DOF is \$581,983, which amount is subject to adjustment as provided in the Act. The terms of Article 5 of the Act govern the County's payment of the County Facilities Payment to the Controller. All rights, obligations, and remedies of the Parties pertaining to the County Facilities Payment are governed solely by the Act, and neither Party has any other or additional rights, obligations, or remedies in respect of the County Facilities Payment under or by virtue of this Agreement.

6.2 DOF Approval. If, by October 1, 2007, DOF does not: (a) approve the County Facilities Payment in an amount equal to or less than the amount set forth in section 6.1 of this Agreement; or (b) approve the County Facilities Payment in an amount that is greater than the amount set forth in section 6.1, above, and that has been approved in writing by both the AOC and the County; or (c) make any response to the Form CFP submitted by the County for the Court Facility by October 1, 2007, then the Parties will promptly meet and confer, in person or by telephone, to determine how to proceed in respect of this Agreement, the Transfer Documents, and the Transfers, and following such meeting, either Party may cancel and terminate this Agreement upon 10 days' prior notice to the other Party; provided that, if DOF approval of the County Facilities Payment is received in accordance with (a) or (b) of this section 6.2 during that 10-day period, any termination notice will be of no force or effect, and the Transfer of Responsibility and Transfer of Title will proceed under this Agreement.

7. REPRESENTATIONS AND WARRANTIES

The County, in its proprietary capacity as the owner of fee title to the Real Property, and the Council, by and through the AOC, hereby make the representations and warranties in this section 7 to one another effective on both the Effective Date and the Responsibility Transfer Date, and with respect to the representations and warranties set forth in sections 7.1.3, 7.1.4, and 7.1.5, also as of the Title Transfer Date. Each Party will give written notice to the other within five business days of its discovery of any facts or circumstances that would render any information contained in its own representations and warranties in this Agreement or any Transfer Document incomplete, untrue, or misleading, but if a Party makes that discovery within seven calendar days prior to an anticipated Transfer Date, then that Party must immediately deliver written notice of the relevant information to the other Party, whereupon the applicable Transfer Date will be automatically delayed one month to allow the Party receiving that notice sufficient time to decide whether to proceed with the applicable Transfer.

7.1 The County's Representations and Warranties. The phrase "to the best of the County's knowledge" or words of similar import, means the actual knowledge, after reasonable independent investigation and inquiry, of the County Chief Executive Officer's Manager for Asset Planning and Strategy, and the County represents that this is the person within the County most knowledgeable with respect to the matters described in the County's representations and warranties.

7.1.1 Authority. The County Authorized Signatory has been duly authorized and empowered by the County Board of Supervisors to execute this Agreement and the Transfer Documents on behalf of the County, and the County has taken all steps and obtained all approvals required to authorize and empower the County to sign and perform its obligations under this Agreement and the Transfer Documents.

7.1.2 Due Execution and Delivery. This Agreement and the Transfer Documents are legal, valid, and binding obligations of the County and are fully enforceable against the County.

7.1.3 No Conflict. This Agreement and the Transfer Documents do not violate any provision of any existing agreement, obligation, or court order to which the County is a party or by which the County or any of its assets is subject or bound. No other action of any governmental agency or authority is required for, and the County has no actual knowledge of any Law in effect which would prohibit, the County's execution, delivery, or performance of its obligations under this Agreement or the Transfer Documents.

7.1.4 Title to Real Property. Other than the Occupancy Agreements, those rights and interests that have been recorded as encumbrances on the Real Property prior to the Effective Date, and those rights and interests that the County has disclosed to the Council in the Property Disclosure Documents: (1) to the best of the County's knowledge, no Third Party has any title or interest in or right to occupy or use the Real Property; and (2) the County has not granted, conveyed, or otherwise transferred to any person or entity any present or future right, title, or interest in or to the Real Property.

7.1.5 Title to Personal Property. To the best of the County's knowledge, as of the Effective Date, there is no Tangible Personal Property or Intangible Personal Property.

7.1.6 No Disputes. To the best of the County's knowledge, there are no Disputes pertaining to the Real Property, or the County's right, title, and interest in and to the Real Property.

7.1.7 No Violations of Law. The County has no actual knowledge of, nor has the County received any written notice from any State, federal, or other governmental or quasi-governmental authority relating to any violation of Law, whether or not appearing in public records, with respect to the Real Property, which violation has not been corrected to the satisfaction of the State, federal, or other governmental or quasi-governmental authority that issued the notice.

7.1.8 No Condemnation. The County has not received written notice of any pending modification of a street or highway contiguous to the Real Property, or any existing or proposed eminent domain proceeding that would, if pursued to completion, result in a taking of any part of the Real Property.

7.1.9 No Environmental Violations. Except as set forth in the Property Disclosure Documents or in any environmental assessments or investigations of the Real Property performed by the Council or the AOC under this Agreement, the County has received no notice from a Third Party of the actual, threatened, or suspected presence of any Hazardous Substance, or of any existing violations of Law in, on, under, adjacent to, or affecting the Real Property, except for any Hazardous Substance used or held in conformity with Law.

7.1.10 Full and Accurate Disclosure. To the best of the County's knowledge, the County provided to the Council and the AOC all available Property Disclosure Documents requested by the AOC within the County's possession, custody, or control. The County maintains the Property Disclosure Documents in its ordinary course of business.

7.1.11 Shared Building Occupancy. The Exclusive-Use Areas and the Common Area of the Real Property are as shown on **Exhibits “D” and “E”** to this Agreement.

7.1.12 Special Circumstances. Other the Seismic-Retrofit Project, the County has not undertaken or commenced any Pending Projects in or on the Real Property. The Real Property is not subject to “bonded indebtedness” as defined in section 70301(a) of the Act, and the Building is not an “historical building” as defined in section 70301(f) of the Act. The County acknowledges that it has obligations under the Consent Decree to perform the work necessary to make certain modifications to the Real Property, and the County will complete all such work, at the County’s sole cost, in accordance with the requirements of the Consent Decree.

7.1.13 Modular Court Structure. To the best of the County’s knowledge, the modular court structure that is located to the north of the Long Beach Courthouse, and in which the courtroom currently designated Department 12 by the Superior Court is located, is affixed or attached to the Land or to a foundation system on the Land, and is not titled by or registered with HCD.

7.2 The Council’s Representations and Warranties. The phrase “to the best of the Council’s knowledge,” or words of similar import, means the actual knowledge, after reasonable independent investigation and inquiry, of the Director of the AOC’s Office of Court Construction and Management, and the Council hereby represents that this is the person most knowledgeable with respect to the matters described in the Council’s representations and warranties.

7.2.1 Good Standing. The Council is an entity established by the Constitution of the State, and the AOC is the staff agency to the Council. Both the Council and the AOC are validly existing under the Law of the State.

7.2.2 Authority. The AOC is authorized by Rule 10.183(d)(2), California Rules of Court, to act on behalf of the Council in respect of the Transfer of Responsibility and Transfer of Title, and for approving this Agreement for the Transfer of Responsibility and Transfer of Title under the Act.

7.2.3 Due Execution and Delivery. This Agreement and the Transfer Documents executed by the AOC on behalf of the Council are legal, valid, and binding obligations of the Council and the AOC and fully enforceable against the Council and the AOC.

7.2.4 No Conflict. This Agreement and the Transfer Documents do not and will not violate any provision of any agreement, obligation, or court order, to which

any of the State Parties is a party or by which any of the State Parties, or any of its or their property, is subject or bound. Other than the PWB's approval of the Transfer of Title, no other action of any governmental agency or authority is required for, and the Council has no actual knowledge of any Law in effect which would prohibit, the Council's execution, delivery, or performance of its obligations under this Agreement or the Transfer Documents.

7.2.5 Sections 70326(b)(1) and (3). The Council has determined that, as of the Effective Date, the Real Property is not deficient under sections 70326(b)(1) and (3) of the Act.

8. INDEMNITIES

8.1 The Council's Indemnities. Except as provided in section 8.3, below, to the fullest extent permitted by Law, the Council indemnifies, defends, and holds harmless the County Parties against all liability, damages, attorney fees, costs, expenses, or losses (referred to in this section as "**Indemnified Loss**") asserted against the County Parties, arising out of the following:

8.1.1 Obligations. Any breach by the Council or the AOC, or both, of its or their obligations set forth in this Agreement or the Transfer Documents;

8.1.2 Representations and Warranties. Any knowing and willful inaccuracy in any of the Council's representations and warranties contained in section 7.2 of this Agreement or in the Transfer Documents, where and to the extent that such knowing and willful inaccuracy relates to a matter that, if known to the County prior to the Responsibility Transfer Date or Title Transfer Date, as applicable, would have been material to the County's completion of the applicable Transfer under the Act; and

8.1.3 Council and AOC Responsibilities. Any claim, demand, litigation, arbitration, or other dispute-resolution proceeding between the Council, the AOC, or both, on the one hand, and a Third Party, on the other hand, that is first asserted or commenced on or after the Transfer Date, and the factual basis for which arises from events or occurrences that took place on or after the Responsibility Transfer Date, or from the State Parties' ownership, use, Operation, or management of, or responsibility for, the Real Property on or after the Responsibility Transfer Date.

8.2 The County's Indemnities. Except as provided in section 8.3, below, to the fullest extent permitted by Law, the County indemnifies, defends, and holds harmless the State Parties, against all Indemnified Loss asserted against the State Parties, arising out of the following:

8.2.1 Obligations. Any breach by a County Party of its obligations set forth in this Agreement or the Transfer Documents;

8.2.2 Representations and Warranties. Any knowing and willful failure by the County to disclose to the Council or the AOC any document or information concerning the Real Property that, if known to the Council or the AOC prior to the Responsibility Transfer Date or the Title Transfer Date, would have been material to the Council's acceptance of the applicable Transfer under the Act, and any knowing and willful inaccuracy in any of the County's representations and warranties contained in section 7.1 of this Agreement or in the Transfer Documents, where and to the extent that such knowing and willful inaccuracy relates to any matter that, if known to the Council or the AOC prior to the Responsibility Transfer Date or the Title Transfer Date, would have been material to the Council's acceptance of the applicable Transfer under the Act;

8.2.3 County Responsibilities. (a) Any claim, demand, litigation, arbitration, or other dispute-resolution proceeding between the County and a Third Party that is pending or threatened prior to the Responsibility Transfer Date, related to the County's ownership, use, Operation, management of, or responsibility for, the Real Property prior to the Responsibility Transfer Date, and (b) any claim, demand, litigation, arbitration, or other dispute-resolution proceeding that is first asserted or commenced by a Third Party after the Responsibility Transfer Date, but the factual basis for which arises from events or occurrences that happened prior to the Transfer Date, and pertain to the County's ownership, use, Operation, management of, or responsibility for, the Real Property prior to the Responsibility Transfer Date; and

8.2.4 CERCLA. The County acknowledges that it has certain indemnification obligations in respect of the Court Facility under section 70393(d) of the Act.

Nothing in this Agreement will in any manner be deemed or construed as an admission by the County to any Third Party that the County has any obligation, responsibility, or liability of any kind or nature whatsoever as to the environmental condition of the Real Property surrounding the Building under CERCLA or any other Law, except that the County confirms that this provision does not alter, diminish, or negate the County's obligation to indemnify the State in accordance with the terms of section 70393(d) of the Act.

8.3 Indemnity Exclusions. Neither Party is entitled to be indemnified, defended, or held harmless by the other Party under this Agreement in respect of any event, circumstance, or condition that arises from its own negligence or willful misconduct. The obligations of a Party under section 8.1 or 8.2 of this Agreement, as applicable, will in no event release the other Party from, or diminish its obligation to fully

and faithfully perform its duties under, this Agreement, the Transfer Documents, or any other agreement.

9. RIGHT TO AUDIT

The County will maintain all records relating to this Agreement, in compliance and consistent with applicable law. The County will also maintain an accounting system, supporting fiscal records, and agreements related to the Property, including the Property Disclosure Documents, adequate to ensure that all claims and disputes arising under this Agreement or the Transfer Documents can be resolved in accordance with the requirements of this Agreement and the Act, for the period of time generally required by applicable Law. The AOC may audit or inspect those County records upon reasonable prior notice.

10. DEFAULT NOTICE AND CURE

Upon the occurrence of a breach or default by the Council or the County of any provision of this Agreement, the non-defaulting Party will provide written notice to the defaulting Party of the breach or default ("**Default Notice**"). Upon receipt of the Default Notice, the defaulting Party will have 30 calendar days to cure the breach or default described in the Default Notice and to provide evidence of that cure to the non-defaulting Party. If the breach or default is not capable of cure within the 30 calendar day period, then no breach or default can be deemed to have occurred so long as the defaulting Party promptly begins and diligently and continuously performs the cure to completion within a reasonable time period, not to exceed 90 calendar days from commencement of the cure ("**Cure Period**"). If the defaulting Party does not provide evidence of the cure to the non-defaulting Party within the Cure Period, then the defaulting Party will be deemed to have committed an "**Event of Default**," and the non-defaulting Party will have the right, but not the obligation, to pursue its rights with respect to resolution of disputes under section 12 of this Agreement. The Parties may mutually agree to commence the dispute resolution procedures in section 12 of this Agreement before the end of the Cure Period.

11. CONDEMNATION

If either Party receives written notice advising of an actual or intended condemnation of the Real Property ("**Condemnation Notice**"), that Party will promptly deliver a copy of that notice to the other Party. In the event of an actual condemnation, or a transfer or conveyance of any part of the Real Property in lieu of condemnation, the Parties will cooperate with one another in good faith to obtain the maximum award that may be obtained from the condemning authority, and the Parties will allocate the award received on the basis of their respective Shares.

12. DISPUTE RESOLUTION

12.1 Unassisted Negotiation; Mediation. In the event of a dispute between the Parties relating to performance of the Parties' obligations under this Agreement, or any aspect of the Transfer transactions contemplated in this Agreement, the Parties will, before exercising any other right or remedy for resolution of the dispute, meet and confer in good faith to attempt to resolve the dispute through unassisted negotiation. Each of the Parties must be represented in any such negotiating session by a representative who is familiar with the facts of the dispute, and who has authority to negotiate on behalf of, and to effectively recommend settlement to, the Party that he or she represents. If the dispute concerns a matter within the jurisdiction of the Court Facilities Dispute Resolution Committee ("CFDRC"), established by section 70303 of the Act, the Parties must first conclude their unassisted negotiation with respect to the dispute before either of the Parties may commence a dispute resolution proceeding before the CFDRC.

12.2 Referral to CFDRC. After compliance with the terms for unassisted negotiation provided in section 12.1 of this Agreement, any unresolved dispute involving any of the matters set forth in sections 70303(c)(1) through (5) of the Act will be referred to the CFDRC for hearing and recommendation to the Director of Finance, as contemplated in the Act and in accordance with the CFDRC Regulations.

13. NOTICES

Any notice or communication required to be sent to a Party pursuant to this Agreement must be sent in writing by personal delivery (including overnight courier service), certified U.S. mail, postage pre-paid and with return receipt requested, or facsimile transmission, sent during regular business hours of the recipient, to the Parties at their addresses or fax numbers indicated below. Routine exchange of information may be conducted via telephone, facsimile, or electronic means, including e-mail.

If to the Judicial Council:

Administrative Office of the Courts
Attention: Assistant Director, Office of Court Construction and
Management
455 Golden Gate Avenue
San Francisco, CA 94102
Voice: 415-865-4040
Fax: 415-865-8885

With a copy to:

Administrative Office of the Courts
Office of the General Counsel
Attention: Managing Attorney, Real Estate Unit
455 Golden Gate Avenue
San Francisco, CA 94102
Voice: 415-865-4057
Fax: 415-865-8885

In addition, all audit requests and notices by the County relating to termination of this Agreement or an alleged breach or default by the Council or the AOC of this Agreement or a Transfer Document must also be sent to:

Administrative Office of the Courts
Attention: Business Services Manager
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Voice: 415-865-7978
Fax: 415-865-4326

If to the County:

County of Los Angeles
Board of Supervisors
383 Hall of Administration
Los Angeles, CA 90012

With a copy to:

County of Los Angeles
Chief Executive Officer
Attention: Manager, CEO
Asset Planning and Strategy
754 Hall of Administration
Los Angeles, CA 90012
Voice: 213-893-2476
Fax: 213-626-7827

A Party may change its address for notice under this Agreement by giving written notice to the other Party in the manner provided in this section 13. Any notice or

communication sent under this section 13 will be deemed to have been duly given as follows: (1) if by personal delivery, on the date actually received by the addressee or its representative at the address provided above, or (2) if sent by certified U.S. mail, return receipt requested, on the first business day that is at least three calendar days after the date deposited in the U.S. Mail, or (3) if sent by facsimile transmission, upon electronic confirmation of good receipt by the receiving facsimile machine except that facsimile notice received after normal business hours of the recipient will be deemed received at 9:00 a.m. on the first business day after the date on which the facsimile notice was confirmed electronically.

14. SURVIVAL OF TERMS AND PROVISIONS

This Agreement will survive and remain in full force and effect notwithstanding the Transfer of Responsibility. In the event of the termination of this Agreement prior to the Transfer Date, all documents, other tangible objects, and information containing or representing confidential or proprietary information disclosed by one Party to the other, and all copies that are in the possession or under the control of the other Party will be and remain the property of the Party that disclosed the documents, objects, and information, and all those documents and other tangible objects will be promptly returned to the Party that disclosed them at that Party's written request.

15. MISCELLANEOUS

15.1 Amendments. This Agreement may be amended only by written agreement signed by both of the Parties.

15.1 Waivers. No waiver of any provision of this Agreement will be valid unless it is in writing and signed by the Party making such waiver. Waiver by either Party at any time of any breach of this Agreement cannot be deemed a waiver of or consent to a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or another provision of this Agreement. If a Party's action requires the consent or approval of the other Party, that consent or approval on any one occasion cannot be deemed a consent to or approval of that action on any subsequent occasion or a consent or approval of any other action.

15.2 Force Majeure. Neither Party will be responsible for performance in accordance with the terms of this Agreement to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

15.3 Assignment. Neither Party may assign this Agreement in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Party. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

15.4 Binding Effect. This Agreement binds the Parties and their permitted successors and assigns.

15.5 Third Parties Benefited. The Superior Court is an intended beneficiary of all provisions of this Agreement and the Transfer Documents for the benefit of the Council.

15.6 Governing Law. This Agreement, and the Parties' performance under this Agreement, will be exclusively governed by the laws of the State without regard to its conflict of law provisions.

15.7 Construction. The headings used in this Agreement are for convenience only and will not affect the meaning or interpretation of this Agreement. The word "or" when used in this Agreement, is inclusive, and can mean both. This Agreement and the Transfer Documents will not be construed against either Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively. The capitalized terms used in this Agreement have the meanings ascribed to them in this Agreement.

15.8 Integration. This Agreement and the Transfer Documents contain the entire agreement of the Parties with respect to the Transfer, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, between the Parties.

15.9 Incorporation By Reference. The factual recitals and Exhibits contained in or attached to this Agreement are all incorporated into and made a part of this Agreement for all purposes, and all references to this Agreement in any of the recitals or Exhibits will be deemed to include the entirety of this Agreement.

15.10 Severability. If a term of this Agreement is inconsistent with applicable Law, then on the request of either Party, the Parties will promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this Agreement not affected by the inconsistency will remain in full force and effect.

15.11 Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (i) implement the terms and provisions set forth in this Agreement, the Transfer Documents, and the Act, and (ii) consummate the transactions contemplated herein, and will execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this Agreement, the Transfer Documents, and the Act.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties enter into this Agreement as of the Effective Date.

JUDICIAL COUNCIL OF CALIFORNIA

APPROVED AS TO FORM:

Administrative Office of the Courts
Office of the General Counsel

By: Rachel J. Dragolovich
Name: Rachel Dragolovich, Attorney
Date: 6-11-07

By: [Signature]
Name: Grant Walker
Title: Business Services Manager,
Administrative Office of the Courts
Date: 6/11/07

ATTEST:

Sachi A. Hamai
Executive Officer, Board of Supervisors

**COUNTY OF LOS ANGELES, a body
corporate and politic**

By: [Signature]
Deputy

By: Zev Yaroslavsky
Name: ZEV YAROSLAVSKY
Title: CHAIRMAN, BOARD OF SUPERVISORS
Date: JUN 19 2007

76184

Approved as to Form:

RAYMOND G. FORTNER, JR.
County Counsel

By: [Signature]
Principal Deputy County Counsel



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

M 20 JUN 19 2007

AOC Court Facility # 19-Y1
County LACO # 4288
Owned-Shared
June 11, 2007
982182.8

31

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

20

JUN 19 2007

EXHIBITS

Exhibit “A” – Legal Description of the Land

Exhibit “B” – Quitclaim Deed

Exhibit “C” – Assignments of Occupancy Agreements

Exhibit “D” – Site Plan of Real Property

Exhibit “E” – Floor Plan of Building Interior

Exhibit “F” – Categories of Property Disclosure Documents

Exhibit “G” – List of Disputes as of the Effective Date

Exhibit “H” – Copy of Section 70324 of the Act

EXHIBIT "A"
LEGAL DESCRIPTION OF LAND

[See attached.]

A-1

EXHIBIT A

Project Name: LONG BEACH COURTHOUSE & PARKING LOT
LONG BEACH CIVIC CENTER 1-1EX

Includes: Parcel Nos. 1-2EX through 1-15EX, and 1-28EX
A.I.N. 7280-025-900
T.G. 825 (D1)
I.M. 024-217
Fourth District
A320SBAC

LEGAL DESCRIPTION

PARCEL NOS. 1-1EX through 1-15EX, and 1-28EX (Quitclaim of Long Beach Courthouse):

All of Lots 13, 15, and 17 through 41, and a portion of Lot 42, Block 108, Townsite of Long Beach, as shown on map recorded in Book 19, pages 91 to 96, inclusive, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, including those portions of Bronce Way, 10 feet wide, now vacated, Virginia Court, 16 feet wide, now vacated, and Chestnut Avenue, 80 feet wide, now vacated, all as shown on said map of Townsite of Long Beach, and Lots 1 through 5, Stovell's Tract, as shown on map recorded in Book 6, page 112, of Maps, in the office of said Registrar-Recorder/County Clerk, including the Alley adjoining Lots 3, 4 and 5 of said Stovell's Tract, 8 feet wide, now vacated, within the following described boundaries:

Beginning at the southwesterly corner of Lot 29 of said Block 108; thence northerly in a direct line to the northwesterly corner of Lot 18 of said Block 108; thence easterly in a direct line to the intersection of the easterly prolongation of the northerly line of said Lot 18 and the easterly line of the westerly half of said Virginia Court; thence northerly along said easterly line to the westerly prolongation of the northerly line of said Lot 13 of Block 108; thence easterly in a direct line to the intersection of the easterly prolongation of said northerly line of Lot 13 and the easterly line of the westerly half of said Chestnut Avenue; thence southerly along said last mentioned easterly line to the easterly prolongation of the southerly line of Lot 4 of said Stovell's Tract; thence westerly in a direct line to the southwesterly corner of Lot 5 of said Stovell's Tract; thence westerly in a direct line to the point of beginning.

Containing: 3.78± Acres.

APPROVED AS TO DESCRIPTION
<u>June 6, 2007</u>
COUNTY OF LOS ANGELES
By <u>[Signature]</u>
SUPERVISING CADASTRAL ENGINEER III
Mapping and Property Management Division

EXHIBIT "B"
COPY OF QUITCLAIM DEED

[See attached.]

B-1

WHEN RECORDED
MAIL THIS DOCUMENT TO:

Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102-3660

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT
TO SECTION 11922 OF THE REVENUE & TAXATION CODE.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT
TO SECTION 27383 OF THE GOVERNMENT CODE.

Space Above This Line Reserved for Recorder's Use

Assessor's Identification Number:
7280-025-900

QUITCLAIM DEED

For a valuable consideration, receipt of which is hereby acknowledged, the COUNTY OF LOS ANGELES, a body corporate and politic, does hereby remise, release, and forever quitclaim to the STATE OF CALIFORNIA, on behalf of THE JUDICIAL COUNCIL OF CALIFORNIA and THE ADMINISTRATIVE OFFICE OF THE COURTS, all of the County's right, title, and interest in and to the real property in the City of Long Beach, County of Los Angeles, State of California, described in Exhibit A attached hereto and by this reference made a part hereof.

Subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights-of-way of record, if any.

COUNTY OF LOS ANGELES,
a body corporate and politic

By _____

DAVID E. JANSSEN
Chief Executive Officer

APPROVED AS TO FORM

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Deputy

**LONG BEACH COURTHOUSE
AND PARKING LOT**
(File: Long Beach Civic Center (1))
Parcel 1-1EX
Includes Parcels 1-2EX through
1-15EX, and 1-28EX
I.M. 024-217
S.D. 4 A320SBAC

OG:bw
P:CONF:OG-QD LG BCH CRTHSE 53107

NOTE: Acknowledgement form on reverse side.

ACKNOWLEDGEMENT FORM

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____, before me, CONNY B. MCCORMACK, Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared _____

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity on behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

CONNY B. MCCORMACK, Registrar-Recorder/
County Clerk of the County of Los Angeles

By _____
Deputy County Clerk

(Seal)

EXHIBIT A

Project Name: LONG BEACH COURTHOUSE & PARKING LOT
LONG BEACH CIVIC CENTER 1-1EX

Includes: Parcel Nos. 1-2EX through 1-15EX, and 1-28EX
A.I.N. 7280-025-900
T.G. 825 (D1)
I.M. 024-217
Fourth District
A320SBAC

LEGAL DESCRIPTION

PARCEL NOS. 1-1EX through 1-15EX, and 1-28EX (Quitclaim of Long Beach Courthouse):

All of Lots 13, 15, and 17 through 41, and a portion of Lot 42, Block 108, Townsite of Long Beach, as shown on map recorded in Book 19, pages 91 to 96, inclusive, of Miscellaneous Records, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles, including those portions of Bronce Way, 10 feet wide, now vacated, Virginia Court, 16 feet wide, now vacated, and Chestnut Avenue, 80 feet wide, now vacated, all as shown on said map of Townsite of Long Beach, and Lots 1 through 5, Stovell's Tract, as shown on map recorded in Book 6, page 112, of Maps, in the office of said Registrar-Recorder/County Clerk, including the Alley adjoining Lots 3, 4 and 5 of said Stovell's Tract, 8 feet wide, now vacated, within the following described boundaries:

Beginning at the southwesterly corner of Lot 29 of said Block 108; thence northerly in a direct line to the northwesterly corner of Lot 18 of said Block 108; thence easterly in a direct line to the intersection of the easterly prolongation of the northerly line of said Lot 18 and the easterly line of the westerly half of said Virginia Court; thence northerly along said easterly line to the westerly prolongation of the northerly line of said Lot 13 of Block 108; thence easterly in a direct line to the intersection of the easterly prolongation of said northerly line of Lot 13 and the easterly line of the westerly half of said Chestnut Avenue; thence southerly along said last mentioned easterly line to the easterly prolongation of the southerly line of Lot 4 of said Stovell's Tract; thence westerly in a direct line to the southwesterly corner of Lot 5 of said Stovell's Tract; thence westerly in a direct line to the point of beginning.

Containing: 3.78± Acres.

APPROVED AS TO DESCRIPTION
<u>June 6, 2007</u>
COUNTY OF LOS ANGELES
By <u>[Signature]</u>
SUPERVISING CADASTRAL ENGINEER III
Mapping and Property Management Division

EXHIBIT “C”

ASSIGNMENTS OF OCCUPANCY AGREEMENTS

[See attached.]

C-1

ASSIGNMENT AND ASSUMPTION OF OCCUPANCY AGREEMENT
County Lease No. 75047

This ASSIGNMENT AND ASSUMPTION OF OCCUPANCY AGREEMENT ("**Assignment**") is made effective as of the Title Transfer Date, by and between the COUNTY OF LOS ANGELES, a body corporate and politic ("**County**"), and the JUDICIAL COUNCIL OF CALIFORNIA ("**Council**"), with reference to the following facts:

A. Pursuant to the Trial Court Facilities Act of 2002 (Chapter 1082, Statutes of 2002, as amended, including Government Code sections 70301-70404) (the "**Act**"), the County and the Council have entered into that certain Transfer Agreement For The Transfer of Responsibility For and Title To The Long Beach Courthouse, dated June ____, 2007 (the "**Transfer Agreement**").

B. Under the Transfer Agreement, the County has agreed, among other things, to transfer and convey to the State of California title to the real property commonly known as 413 Ocean Boulevard, Long Beach, California, on which the Long Beach Courthouse is located, including the real property on which the parking lot commonly known as County Auto Park 67A is located (the "**Real Property**").

C. The County is a party to that certain Lease Agreement, dated August 3, 2004, between the County, as lessor, and the City of Long Beach, a body corporate and politic ("**City**"), as lessee, under which the City has a leasehold interest in 162 parking spaces in County Auto Park 67A (the "**Lease**"). A complete copy of the Lease is attached to this Assignment as **Exhibit "A"**.

D. Pursuant to the terms of the Transfer Agreement, the County desires to assign and delegate to the Council, and the Council desires to accept and assume from the County, all of the County's right, title, and interest in and to, and all of the County's obligations, duties, and responsibilities under, the Lease.

NOW, THEREFORE, the County and the Council do hereby agree as follows:

1. Effective on the Title Transfer Date, the County hereby assigns and delegates to the Council all of the County's right, title, and interest in, to, and under the Lease, together with the prorated amount of any rent, security deposit, and other consideration (collectively, "**Consideration**") that the County collects

from the City under the Lease that is allocable to the period on and after the Title Transfer Date.

2. Effective on the Title Transfer Date, the Council hereby accepts from the County the assignment of the Lease and the Consideration, and commencing on the Title Transfer Date, the Council is entitled to all of the rights and benefits accruing to the County under the Lease. The assignment provided for in this Assignment is an absolute assignment and is not given as collateral for any obligation of the County to the Council.

3. Effective on the Title Transfer Date, the Council hereby assumes and agrees to be bound by all obligations, duties, and responsibilities of the County under the Lease that are related exclusively to the period on and after the Title Transfer Date, and commencing on the Title Transfer Date, the Council is responsible to perform all obligations, duties, and responsibilities of the County that are to be performed on and after the Title Transfer Date under the Lease.

4. The County assigns and delegates to the Council its right, title, and interest in, to and under the Lease on an "AS IS" basis and without warranty or representation of any kind whatsoever, express or implied, except only those representations and warranties that are specifically set forth in the Transfer Agreement.

5. This Assignment shall be exclusively governed by the laws of the State of California, without regard to its conflict of law provisions.

6. The Parties agree to execute such additional instruments and to perform such further acts as may be reasonably necessary to perform this Assignment.

7. Capitalized terms used in this Assignment and not specifically defined herein shall have the meanings ascribed to them in the Transfer Agreement.

IN WITNESS WHEREOF, the Parties enter into this Assignment as of the Title Transfer Date.

JUDICIAL COUNCIL OF CALIFORNIA

APPROVED AS TO FORM:
Administrative Office of the Courts,
Office of the General Counsel

By: _____
Name: Rachel Dragolovich, Attorney
Date: _____

By: _____
Name: Grant Walker
Title: Business Services Manager,
Administrative Office of the Courts
Date: _____

**COUNTY OF LOS ANGELES, a body corporate
and politic**

By: _____
Name: _____
Title: _____
Date: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: _____
Principal Deputy County Counsel

EXHIBIT "A"

Copy of Lease

[See attached.]

C-5

75047

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 3rd day of August, 2004,

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as "County,"

AND

CITY OF LONG BEACH, a body corporate and politic, hereinafter referred to as "Lessee,"

WITNESSETH

WHEREAS, County is the owner of certain real property which is not required exclusively for County use; and

WHEREAS, Lessee is desirous of using on an exclusive basis, a portion only of said real property;

WHEREAS, Lessee is willing to exercise the grant of such a lease in accordance with the terms and conditions prescribed therefor;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them do agree as follows:

1. PREMISES

1.01 County hereby grants a lease (Lease) to Lessee and Lessee hereby hires and rents from County on the terms and conditions hereinafter set forth in the City of Long Beach, approximately one hundred sixty-two (162) parking spaces in the parking lot located north of the County Courthouse in the City of Long Beach, State of California as shown on Exhibit A attached hereto and by this reference incorporated.

1.02 The demised Premises shall be used only by Lessee for the parking of vehicles and such other purposes as are related thereto.

1.03 Lessee shall make no alterations or improvements to the Premises furnished for the conduct of the authorized activities unless written approval is first obtained from the Chief Administrative Office (CAO). All alterations are to be made at Lessee's expense and at no cost to the County.

1.04 Lessee shall remove all fixtures and personal property prior to the termination of this Lease. All alterations, fixtures and personal property, additions or betterments to the Premises furnished, shall either become the property of the County upon the termination of the Lease or County may elect to have the improvement removed at the expense of Lessee.

1.05 Lessee acknowledges personal inspection of the Premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect the Lease. Lessee accepts the Premises in its present physical condition and agrees to make no demands upon the County for any improvements or alteration thereof.

1.06 Lessee hereby acknowledges the title of County and/or any other public agencies having jurisdiction thereover, in and to the Premises and covenants and agrees never to assail, contest or resist said title.

2. TERM

2.01 The term of the Lease shall commence upon execution by the County, and terminate five (5) years thereafter.

2.02 Either party shall have the option of terminating this agreement upon giving the cancelled party notice in writing at least one hundred eighty (180) days in advance of such termination. Notwithstanding the above provision, this Lease may be immediately cancelled in the event of an emergency or unsafe condition(s).

2.03 In case Lessee holds over beyond the end of the term provided with the consent, express or implied of the County, such tenancy shall be from month-to-month only, subject to the terms and conditions of this Lease. If the holdover continues beyond six months, then commencing at the beginning of the seventh month, the monthly rental shall be subject to a fair market value adjustment.

3. PAYMENT

Lessee shall pay the County for the use granted herein the sum of FIVE HUNDRED FIFTY-FOUR THOUSAND FORTY DOLLARS (\$554,040) over the term of the lease or NINE THOUSAND TWO HUNDRED AND THIRTY-FOUR DOLLARS (\$9,234) per month in consideration for the parking spaces it leases. The rental payment is FIFTY-SEVEN DOLLARS (\$57) per month per space. Rental payments shall be payable on the first day of each and every month of the term hereof and shall be made by check or draft issued and payable to the Franchise/Concession Section, Auditor-Controller, County of Los Angeles, 500 West Temple Street, Room 514, Los Angeles, California 90012.

4. RENTAL ADJUSTMENT

4.01 Commencing with the second anniversary of the lease term, and for each successive one year period therefrom, the rental amount set forth in paragraph 3 shall be subject to adjustment. The rent shall be adjusted in accordance with the formula set forth in paragraph 4.02. The "Base Index" shall be the index published in the month immediately preceding the month in which the Lease commences.

4.02 The method for computing the rental adjustment shall be by reference to the Consumer Price Index (CPI) for all Urban Consumers for the Los Angeles-Long Beach-Anaheim Metropolitan area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84 = 100) hereinafter referred to as the "Index".

The rental adjustment shall be calculated by multiplying the base rent, by a fraction, the numerator being the New Index which is the Index published in the month immediately preceding the month the adjustment is to be effective, and the denominator being the Base Index which is the Index published the month immediately preceding the month in which the Lease commenced. The formula shall be as follows:

$$\frac{\text{New Index} \times \$9,234.00}{\text{Base Index}} = \text{Monthly Rent}$$

If the Index is changed so that the base year of the Index differs from that used at the commencement date of this Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term of this Lease, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

Lessor shall compute the rental adjustment following the second anniversary of the lease term and for each successive one year period therefrom. That notwithstanding Lessor's failure to notify Lessee of the annual CPI increase for any prior period or periods shall not be deemed a waiver of Lessor's right to a rental adjustment as provided herein. Lessor may exercise said right at any time during the term of this lease and adjust the rent retroactively for any prior period or periods to the extent permitted under applicable law.

In no event shall the monthly rent be adjusted by the CPI formula to result in a lower monthly rent than was payable during the previous year.

5. OPERATING RESPONSIBILITIES

5.01 Compliance with Law. Lessee shall conform to and abide by all Municipal and County Ordinances and all State and Federal laws and regulations insofar as the same or any of them are applicable; and where permits and/or leases are required, the same must be first obtained from the regulatory agency having jurisdiction thereover.

5.02 Signs. Lessee shall not post signs or advertising matter upon the Premises or improvements thereon unless prior approval therefor is obtained from the County, whose approval shall not be unreasonably withheld. Signs specifically relating to parking shall be allowed, but subject to the County's approval of aesthetic design.

5.03 Sanitation. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the leased Premises, and Lessee shall prevent any accumulation thereof from occurring. Lessee shall pay all charges which may be made for the removal thereof.

5.04 Security Devices. Lessee may provide any legal devices, installations, or equipment designed for the purpose of protecting the premises from theft, burglary or vandalism provided written approval for installation is first obtained from the County. All purchases and installations thereof shall be at Lessee's expense.

5.05 Maintenance. The County shall be responsible for maintaining the Premises in a clean and sanitary condition. The County shall be responsible for any structural maintenance.

5.06 Examination of Premises. Lessee shall permit authorized representatives of the County to enter the area occupied at any time for the purpose of determining whether the authorized activities are being conducted in compliance with the terms of this Lease, or for any other purpose incidental to the performance of the duties required by the Los Angeles County Code.

6. DAMAGE OR DESTRUCTION

The County agrees that should the demised Premises be damaged by fire, incidents of war, earthquake, or other violent action of the elements as to render them reasonably unfit for Lessee's use, the County shall use its best efforts within one hundred eighty (180) days of such occurrence, to repair the damaged Premises. In the event of damage by any such cause which results in damage to forty percent (40%) or less of the net usable area of the improvements, then the County shall, at its sole discretion, either commence the repair and restoration, or terminate the Lease, in which case Lessee shall surrender the Premises to the County and shall not be obligated for any further rental under the Lease.

Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made effective on the date of such destruction. The proportionate reduction is to be based upon the proportion that the space is rendered unusable to Lessee bears to the whole thereof. Lessee shall not be entitled to an abatement of rent pursuant to this provision when the damage to the Premises is the result of negligence or intentional acts of Lessee's employees.

7. HOLD HARMLESS AND INDEMNIFICATION

Lessee agrees to indemnify, defend and save harmless the County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, expense, including defense costs, legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with Lessee's, its members, agents and invitees, operations and use of the Premises and the attraction caused by their operations on the Premises which attracts third parties and members of the general public to the Premises, including any Workers' Compensation suits, liability or expense, arising from or connected with services performed on behalf of Lessee by any person pursuant to this agreement.

8. INSURANCE

8.01 Without limiting Lessee's indemnification of County, Lessee shall provide and maintain at its own expense during the term of this agreement the following program(s) of insurance covering Lessee's operation hereunder. Such insurance shall be provided by insurer(s) satisfactory to County's Risk Manager and evidence of such programs satisfactory to the County shall be delivered to the CAO, Real Estate Division, 222 South Hill Street, Third Floor, Los Angeles, California 90012, on or before the effective date of this agreement. Such evidence shall specifically identify this agreement and shall contain express conditions that the County is to be given written notice at least thirty (30) days in advance of any material modification or termination of any program of insurance.

a. General Liability. A program including, but not limited to: comprehensive general liability, endorsed for contractual liability, independent contractor, products-completed operations, premises, broad form property damage with a combined single limit of not less than ONE MILLION DOLLARS and No/100 (\$1,000,000) per occurrence. Such insurance shall be primary to and not contributing with any other insurance maintained by County and shall name the County as an additional insured.

b. Workers' Compensation. A program of Workers' Compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California and which specifically covers all persons providing services by or on behalf of Lessee and all risks to such persons under this lease agreement.

c. Comprehensive Auto Liability. A program of insurance endorsed for all owned and non-owned vehicles with a combined single limit of at least THREE HUNDRED THOUSAND DOLLARS and No/100 (\$300,000) per occurrence.

d. Fire Legal Liability. A program in an amount not less than FIFTY THOUSAND DOLLARS and No/100 (\$50,000) with a loss payee endorsement in favor of the County of Los Angeles as its interest may appear. Such coverage may be provided under the policy for general liability.

e. Lessee, at its sole option may elect to self-insure. To so elect, Lessee must give the County 30 days written notice of its intention. Thereafter, such election shall be effective only if Lessee provides the County with the Certificates evidencing such specified coverage at least 30 days prior to the effective date thereof. Lessee shall thereafter be free of its obligation to maintain commercial insurance in force for such specified coverage beyond the effective date of the certificate delivery to the County. By this procedure, the parties intend there shall be no gap in time for the required coverage.

8.02 Failure on the part of Lessee to procure or maintain required insurance shall constitute a material breach of contract upon which County may immediately terminate this agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by County shall be repaid by Lessee to County upon demand.

8.03 Conduct of the leased activities shall not commence until Lessee has complied with the aforementioned insurance requirements, and shall be suspended during any period that Lessee fails to maintain said policies in full force and effect.

9. TAXES AND ASSESSMENTS

The property interest conveyed herein may be subject to real property taxation and/or assessment thereon, and in the event thereof, Lessee shall pay before delinquency all lawful taxes, assessments, fees or charges which at any time may be levied by the Federal, State, County, City, or any other tax or assessment-levying body upon the Premises and any improvements located thereon. Lessee does not hereby concede that any real property interest held by it is subject to real property taxation.

10. TRANSFERS

Lessee shall not, without written consent of the County, assign, hypothecate, or mortgage this agreement or sublease or lease any portion of the Premises.

11. DEFAULT

Lessee agrees that if default shall be made in any of the covenants and agreements herein contained to be kept by Lessee, the County may forthwith revoke and terminate this agreement.

12. WAIVER

12.01 Any waiver by either party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of either party to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this agreement or estopping either party from enforcing the full provisions thereof.

12.02 No option, right, power, remedy, or privilege of either party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given either party by this agreement shall be cumulative.

13. SURRENDER

Upon expiration of the term hereof or cancellation thereof as herein provided, Lessee shall peaceably vacate the Premises and shall remove all improvements constructed by Lessee and deliver the Premises to the County in reasonably good condition, in accordance with Paragraph 1.04 of this lease agreement.

14. ENFORCEMENT

14.01 The CAO shall be responsible for the enforcement of this agreement on behalf of the County and shall be assisted therein by those officers, employees, or committees of the County having duties in connection with the administration thereof.

14.02 In the event either party commences legal proceedings for the enforcement of this agreement or recovery of the Premises used herein, the other party does hereby agree to pay any sum which may be awarded to the prevailing party by the Court, the reasonable attorney's fees, and costs incurred in the action brought thereon.

15. COUNTY LOBBYIST ORDINANCE

Lessee is aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code, and certifies full compliance therewith. Failure to fully comply shall constitute a material breach upon which County may terminate or suspend this Lease.

16. NOTICES

Any notice required to be given under the terms of this Lease agreement or any law applicable thereto may be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Lessee shall be:

City Manager
City of Long Beach
333 West Ocean Boulevard
Long Beach, CA 90892

or such other place as may hereinafter be designated in writing to the County by Lessee. Any notice served by mail upon the County shall be addressed to:

County of Los Angeles
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012
Attention: Carlos Brea
Manager, Property Management

or such other place as may hereinafter be designated in writing to Lessee by the Chief Administrative Officer. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

/

IN WITNESS WHEREOF, Lessee has executed this lease or caused it to be duly executed and County of Los Angeles by order of its Board of Supervisors has caused this lease to be executed on its behalf by the Chairman of said Board and attested by the Executive Officer the day, month, and year first above written.

LESSEE

ATTEST:

CITY OF LONG BEACH

By: _____
City Clerk

By: *[Signature]*
City Manager

Date: _____

Date: 6-21-04

APPROVED AS TO FORM

By: *Charles Parker* 6-11-04
Deputy City Attorney

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

ATTEST:

27

AUG 3 2004

Violet-Varona Lukens
Executive Officer, The Board of Supervisors

Violet Varona Lukens
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

By: *[Signature]*
Deputy

Date: AUG 3 - 2004



LESSOR

COUNTY OF LOS ANGELES

By: *[Signature]*
Chairman, Board of Supervisors

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By: *Francis E. Scott*
Francis E. Scott
Principal Deputy County Counsel

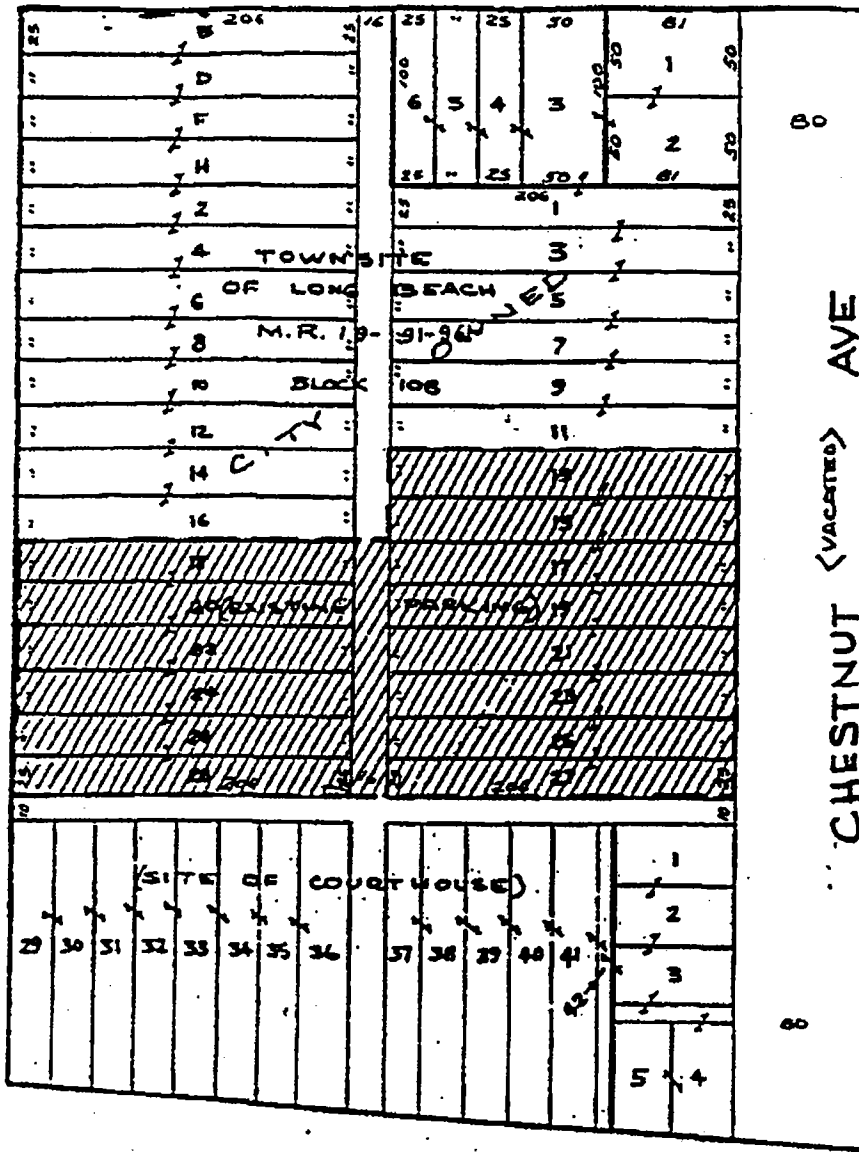
Date: July 12, 2004

BROADWAY

MAGNOLIA AVE.

CHESTNUT AVE. (VACATED)

OCEAN BLVD.



SUBJECT PROPERTY

EXHIBIT A

27 JUL 82
REVISED 17 MAY 77

74,500 S.F.

IN THE CITY OF LONG BEACH

COUNTY OF LOS ANGELES / INTERNAL SERVICES DEPARTMENT

DATE 30 MAR 77	A.M.B. 7277	SUP. DIST. 4TH	SCALE 1"=100'	PORTION OF COUNTY PROPERTY TO BE LEASED TO THE CITY OF LONG BEACH	JOB NO.
TH. GUIDE 75 C S	I.M. 306 S	AD. DIST.	BY HK		

ASSIGNMENT AND ASSUMPTION OF OCCUPANCY AGREEMENT
County Lease No. 75511

This ASSIGNMENT AND ASSUMPTION OF OCCUPANCY AGREEMENT (“**Assignment**”) is made effective as of the Title Transfer Date, by and between the COUNTY OF LOS ANGELES, a body corporate and politic (“**County**”), and the JUDICIAL COUNCIL OF CALIFORNIA (“**Council**”), with reference to the following facts:

A. Pursuant to the Trial Court Facilities Act of 2002 (Chapter 1082, Statutes of 2002, as amended, including Government Code sections 70301-70404) (the “**Act**”), the County and the Council have entered into that certain Transfer Agreement For The Transfer of Responsibility For and Title To The Long Beach Courthouse, dated June ___, 2007 (the “**Transfer Agreement**”).

B. Under the Transfer Agreement, the County has agreed, among other things, to transfer and convey to the State of California title to the real property commonly known as 413 Ocean Boulevard, Long Beach, California, on which the Long Beach Courthouse is located (the “**Real Property**”).

C. The County is a party to that certain Lease Agreement, dated January 10, 2006, between the County, as lessor, and the Los Angeles County Law Library (“**Library**”), as lessee, under which the Library has a leasehold interest in certain space located on the fifth floor of the Long Beach Courthouse (the “**Lease**”). A complete copy of the Lease is attached to this Assignment as **Exhibit “A”**.

D. Pursuant to the terms of the Transfer Agreement, the County desires to assign and delegate to the Council, and the Council desires to accept and assume from the County, all of the County’s right, title, and interest in and to, and all of the County’s obligations, duties, and responsibilities under, the Lease.

NOW, THEREFORE, the County and the Council do hereby agree as follows:

1. Effective on the Title Transfer Date, the County hereby assigns and delegates to the Council all of the County’s right, title, and interest in, to, and under the Lease, together with the prorated amount of any rent, security deposit, and other consideration (collectively, “**Consideration**”) that the County collects from the Library under the Lease that is allocable to the period on and after the Title Transfer Date.

2. Effective on the Title Transfer Date, the Council hereby accepts from the County the assignment of the Lease and the Consideration, and commencing on the Title Transfer Date, the Council is entitled to all of the rights and benefits accruing to the County under the Lease. The assignment provided for in this Assignment is an absolute assignment and is not given as collateral for any obligation of the County to the Council.

3. Effective on the Title Transfer Date, the Council hereby assumes and agrees to be bound by all obligations, duties, and responsibilities of the County under the Lease that are related exclusively to the period on and after the Title Transfer Date, and commencing on the Title Transfer Date, the Council is responsible to perform all obligations, duties, and responsibilities of the County that are to be performed on and after the Title Transfer Date under the Lease.

4. The County assigns and delegates to the Council its right, title, and interest in, to and under the Lease on an "AS IS" basis and without warranty or representation of any kind whatsoever, express or implied, except only those representations and warranties that are specifically set forth in the Transfer Agreement.

5. This Assignment shall be exclusively governed by the laws of the State of California, without regard to its conflict of law provisions.

6. The Parties agree to execute such additional instruments and to perform such further acts as may be reasonably necessary to perform this Assignment.

7. Capitalized terms used in this Assignment and not specifically defined herein shall have the meanings ascribed to them in the Transfer Agreement.

IN WITNESS WHEREOF, the Parties enter into this Assignment as of the Title Transfer Date.

JUDICIAL COUNCIL OF CALIFORNIA

APPROVED AS TO FORM:
Administrative Office of the Courts,
Office of the General Counsel

By: _____
Name: Rachel Dragolovich, Attorney
Date: _____

By: _____
Name: Grant Walker
Title: Business Services Manager,
Administrative Office of the Courts
Date: _____

**COUNTY OF LOS ANGELES, a body corporate
and politic**

By: _____
Name: _____
Title: _____
Date: _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: _____
Principal Deputy County Counsel

EXHIBIT "A"

Copy of Lease

[See attached.]

C-9

75511

LEASE AGREEMENT

THIS LEASE AGREEMENT (Lease), is made and entered into this 10th day of JANUARY, 2003.

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as "County,"

AND

LOS ANGELES COUNTY LAW LIBRARY, hereinafter referred to as "Lessee,"

WHEREAS, County is the owner of certain real property which is not required exclusively for County use; and

WHEREAS, Lessee is desirous of using on an exclusive basis, a portion only of said real property;

WHEREAS, County is willing to exercise the grant of a lease in accordance with the terms and conditions prescribed therefor;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them do agree as follows:

1. PREMISES

1.01 County hereby leases to the Lessee and Lessee hereby hires and rents from County on the terms and conditions hereinafter set forth, approximately 2,353 square feet of space on the 5th floor, room 505 in the County courthouse located at 413 Ocean Boulevard, Long Beach, California (Building), designated as the Law Library (Premises).

1.02 The Premises shall be used only by Lessee for the sole purpose of providing a law library including references and legal documents for use by the public and for such related and incidental purposes as are consistent with the above-stated use.

1.03 Lessee shall make no alterations or improvements to the Premises furnished for the conduct of the authorized activities unless written approval is first obtained from the Chief Administrative Office (CAO); provided, however, that Lessee may replace any and all existing bookcases, cabinetry and other existing fixtures and furnishings with similar improvements from time to time as such existing improvements become worn out or are otherwise damaged or destroyed without the prior written approval of the CAO. All alterations are to be made at Lessee's expense and at no cost to the County. County acknowledges that all existing alterations and improvements to the Premises are acceptable to the County, and in the event the Lease is terminated at any time, such existing alterations and improvements may be surrendered by Lessee along with the Premises, at Lessee's option and without liability to the County for the cost of removal thereof.

1.04 Lessee shall remove all of Lessee's personal property from the Premises prior to the termination of this Lease. All alterations, remaining fixtures and remaining personal property, additions or betterments to the Premises (Improvements), shall become the property of the County upon the termination of the Lease, provided that the County may elect to have any alterations or improvements made after the date of this Lease without the County's approval (except for replacement items permitted under Paragraph 1.03) and any remaining personal property of the Lessee removed at Lessee's expense. If County elects to have such alterations, improvements or personal property removed at Lessee's expense, Lessee shall remove same and deliver the Premises in reasonably good condition to County prior to the termination of the term of this Lease.

1.05 Lessee acknowledges personal inspection of the Premises and the surrounding area and evaluation of the extent to which the physical condition thereof will affect the Lease and Lessee's intended use. Lessee accepts the Premises in its present physical condition and agrees to make no demands upon the County for any improvements or alteration thereof.

1.06 Lessee hereby acknowledges the title of County and/or any other public agencies having jurisdiction there over, in and to the Premises and covenants and agrees never to assail, contest or resist said title.

2. TERM

2.01 The term of the Lease shall commence upon signature by the County of Los Angeles and terminate three (3) years thereafter.

2.02 The County and Lessee agree to execute a memorandum of the commencement date attached hereto as Exhibit "A", and by this reference incorporated herein.

2.03 In case Lessee holds over beyond the end of the term provided with the consent, express or implied, of the County, such tenancy shall be from month-to-month only, subject to the terms and conditions of this Lease.

2.04 Either party shall have the option of terminating this Lease upon giving the other party notice in writing at least sixty (60) days in advance of such termination.

3. PAYMENT

In accordance with the provisions of the Business and Professions Code, Section 6361, the use of the Premises shall be without charge as mandated by the California State Legislature, including all costs and expenses of the County's operating responsibilities set forth in Paragraph 4 below.

4. OPERATING RESPONSIBILITIES

4.01 Compliance with Law. At all times, including without limitation during the making of any alterations or improvements hereunder, Lessee shall conform to and abide by all operational requirements of Municipal and County Ordinances and all State and Federal laws and regulations, including without limitation the Americans with Disabilities Act, insofar as the same or any of them are applicable (but without obligation to make any alterations or improvements to the Premises); and where permits and/or leases are required, the same must be first obtained from the regulatory agency having jurisdiction there over.

4.02 Signs. Lessee shall not post signs or advertising matter upon the Premises or improvements thereon unless prior approval therefor is obtained from the County, whose approval shall not be unreasonably withheld; provided that any and all existing Lessee signs are hereby deemed approved by the County.

4.03 Sanitation. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the leased Premises, and Lessee shall prevent any accumulation thereof from occurring. Lessee shall pay all charges which may be made for the removal thereof.

4.04 Maintenance. The County shall be responsible for maintaining the Premises in a clean and sanitary condition. The County shall be responsible for any structural maintenance and repairs, and maintenance and repairs of all Building systems required for the occupancy of the Premises.

4.05 Utilities. The County shall be responsible for payment of all utilities necessary for the operation of the Premises, including heating, ventilation and air-conditioning, water, sewer, electricity and telephone. Lessee waives any and all claims against the County for compensation for loss or damages caused by a defect, deficiency, or impairment of any utility system or electrical/telephone apparatus or wires serving the Premises.

4.06 Examination of Premises. Lessee, after being provided twenty-four (24) hours notice in advance, shall permit authorized representatives of the County to enter the Premises at any time for the purpose of determining whether the authorized activities are being conducted in compliance with the terms of this Lease, or for any other purpose incidental to the performance of the duties required by the Los Angeles County Code.

4.07 Parking. County shall provide Lessee's employees with one non-exclusive parking spaces for use during normal business hours of the building.

5. DAMAGE OR DESTRUCTION

The County agrees that should the Premises be damaged by fire, incidents of war, earthquake, or other violent action of the elements so as to render them reasonably unfit for Lessee's use, the County shall use its best efforts within one hundred eighty (180) days of such occurrence, to repair the damaged Premises. In the event of damage by any such cause which results in damage to forty percent (40%) or more of the net usable area of the Premises or the building of which the Premises are a part, then the County shall, at its sole discretion, either commence the repair and restoration, or terminate this Lease, in which case Lessee shall surrender the Premises to the County in accordance with Paragraph 1.04.

6. HOLD HARMLESS AND INDEMNIFICATION

Lessee agrees to indemnify, defend and save harmless County and its Special Districts, elected and appointed officers, employees, and agents, the Los Angeles Superior Court, the California Judicial Council and the California Administrative Office of the Courts, their elected and appointed officers, employees and agents, from and against any and all liability, expense, including defense costs and legal fees and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage to the extent arising from or connected with Lessee's, or any of its officers', employees', agents' or invitees' operations in or use of the Premises, or from or connected with the actions of any officer, employee, agent, contractor or invitee of Lessee occurring within the Premises, including any Worker's Compensation suit, liability or expense, arising from or connected with services performed on behalf of Lessee by any person within the Premises pursuant to or in connection with this Lease.

7. INSURANCE

7.01 Without limiting Lessee's indemnification of County, Lessee shall provide and maintain at its own expense during the term of this Lease the following program(s) of insurance covering Lessee's operation hereunder. Such insurance shall be provided by insurer(s) satisfactory to County's Risk Manager and evidence of such programs satisfactory to the County shall be delivered to the CAO, Real Estate Division, on or before the effective date of this Lease. Such evidence shall specifically identify this Lease and shall contain express conditions that the County is to be given written notice at least thirty (30) days in advance of any material modification or termination of any program of insurance.

a. General Liability. A program including, but not limited to: comprehensive general liability, endorsed for contractual liability, independent contractor, products-completed operations, premises, broad form property damage with a combined single limit of not less than TWO MILLION DOLLARS and No/100 (\$2,000,000) per occurrence (such limit may be provided by an appropriate "umbrella" policy). Such insurance shall be primary to and not contributing with any other insurance maintained by County and shall name the County as an additional insured.

b. Workers' Compensation. A program of Workers' Compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California and which specifically covers all persons providing services by or on behalf of Lessee and all risks to such persons under this Lease.

c. Comprehensive Auto Liability. A program of insurance endorsed for all owned and non-owned vehicles with a combined single limit of at least THREE HUNDRED THOUSAND DOLLARS and No/100 (\$300,000) per occurrence.

d. Fire Legal Liability. An endorsement for fire legal liability in an amount not less than \$50,000 with a loss payee endorsement in favor of the County of Los Angeles as its interest may appear. Such coverage may be provided under the policy for general liability

e. Self Insurance. Lessee, at its sole option may elect to self-insure. To so elect, Lessee must give the County thirty (30) days written notice of its intention. Thereafter, such election shall be effective only if Lessee provides the County with the Certificates evidencing such specified coverage at least thirty (30) days prior to the effective date thereof. Lessee shall thereafter be free of its obligation to maintain commercial insurance in force for such specified coverage beyond the effective date of the certificate delivery to the County. By this procedure, the parties intend there shall be no gap in time for the required coverage.

7.02 Failure on the part of Lessee to procure or maintain required insurance shall constitute a material breach of contract upon which County may immediately terminate this Lease.

7.03 Conduct of the leased activities shall not commence until Lessee has complied with the aforementioned insurance requirements, and shall be suspended during any period that Lessee fails to maintain said policies in full force and effect.

8. TAXES AND ASSESSMENTS

The property interest conveyed herein may be subject to real property taxation and/or assessment thereon, and in the event thereof, Lessee shall pay before delinquency all lawful taxes, assessments, fees or charges which at any time may be levied by the Federal, State, County, City, or any other tax or assessment-levying body upon Lessee's leasehold interest in the Premises and any of Lessee's improvements located thereon or personal property located therein. Lessee does not hereby concede that any real property interest held by it pursuant to this Lease is subject to real property taxation.

9. TRANSFERS

Lessee shall not, without written consent of the County, assign, hypothecate, or mortgage this agreement or sublease or lease any portion of the Premises.

10. DEFAULT

Lessee agrees that if Lessee shall fail to comply with any of the covenants and agreements herein contained to be kept by Lessee and shall not cure such failure within thirty (30) days after written notice of such failure to Lessee, then such failure shall be deemed a default by Lessee and the County may forthwith revoke and terminate this Lease; provided, however, that such failure shall not be a default if such failure could not reasonably be cured during such thirty (30) day period, Lessee has commenced the cure within such thirty (30) day period and thereafter is diligently pursuing such cure to completion.

11. WAIVER

11.01 Any waiver by either party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of either party to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Lease or estopping either party from enforcing the full provisions thereof.

11.02 No option, right, power, remedy, or privilege of either party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given either party by this Lease shall be cumulative.

12. ENFORCEMENT

The CAO shall be responsible for the enforcement of this Lease on behalf of the County and shall be assisted therein by those officers, employees, or committees of the County having duties in connection with the administration thereof.

13. COUNTY LOBBYIST ORDINANCE:

Lessee is aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code, and certifies full compliance therewith. Failure to fully comply shall constitute a material breach upon which County may terminate or suspend this Lease.

14. NOTICES

Any notice required to be given under the terms of this Lease or any law applicable thereto shall be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Lessee shall be:

Los Angeles County Law Library
301 West First Street
Los Angeles, CA 90012
Attention: Library Director

or such other place as may hereinafter be designated in writing to the County by Lessee. Any notice served by mail upon the County shall be addressed to:

County of Los Angeles
Chief Administrative Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012
Attention: Carlos Brea,
Manager, Property Management

or such other place as may hereinafter be designated in writing to Lessee by the Chief Administrative Officer. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

15. INTERPRETATION

Unless the context of this Lease clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including " are not limiting.

16. ENTIRE AGREEMENT

This Lease contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both County and Lessee.

[illegible]

IN WITNESS WHEREOF, Lessee has executed this Lease or caused it to be duly executed and County of Los Angeles, by Order of the Board of Supervisors, has caused this Lease to be executed on its behalf by the Chair of said Board, the day, month and year first above written.

LESSEE

LOS ANGELES COUNTY LAW
LIBRARY

By: Maria H. Kolov

ATTEST:

VIOLET VARONA-LUKENS
Executive Officer, The Board of Supervisors

By: [Signature]

Deputy



LESSOR

COUNTY OF LOS ANGELES

By: Mike Antonovich

Chair, Board of Supervisors
MAYOR, County of Los Angeles.

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: [Signature]

Amy M. Caves
Senior Associate

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17

JAN 10 2006

Violet Varona-Lukens
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

EXHIBIT "A"

MEMORANDUM OF COMMENCEMENT DATE

This Agreement is dated this 10th day of JANUARY, 2006, for reference purposes only, by and between LESSOR, COUNTY OF LOS ANGELES AND LOS ANGELES COUNTY LAW LIBRARY, LESSEE.

¹
JAN 10 2006 The parties hereto have entered into a Lease dated as of JAN 10 2006 (the "Lease") for the leasing of a portion of the County courthouse by Lessor to Lessee, located at 413 Ocean Boulevard, Long Beach, California ("the Premises").

2. Lessor and Lessee hereby confirm the following:

That the term of the Lease commenced JAN 10 2006.

EXHIBIT "D"
SITE PLAN OF REAL PROPERTY

[See attached.]

D-1

MAGNOLIA AVENUE

BROADWAY AVENUE

LONG BEACH
COURTHOUSE

CHESNUT AVENUE

OCEAN BOULEVARD

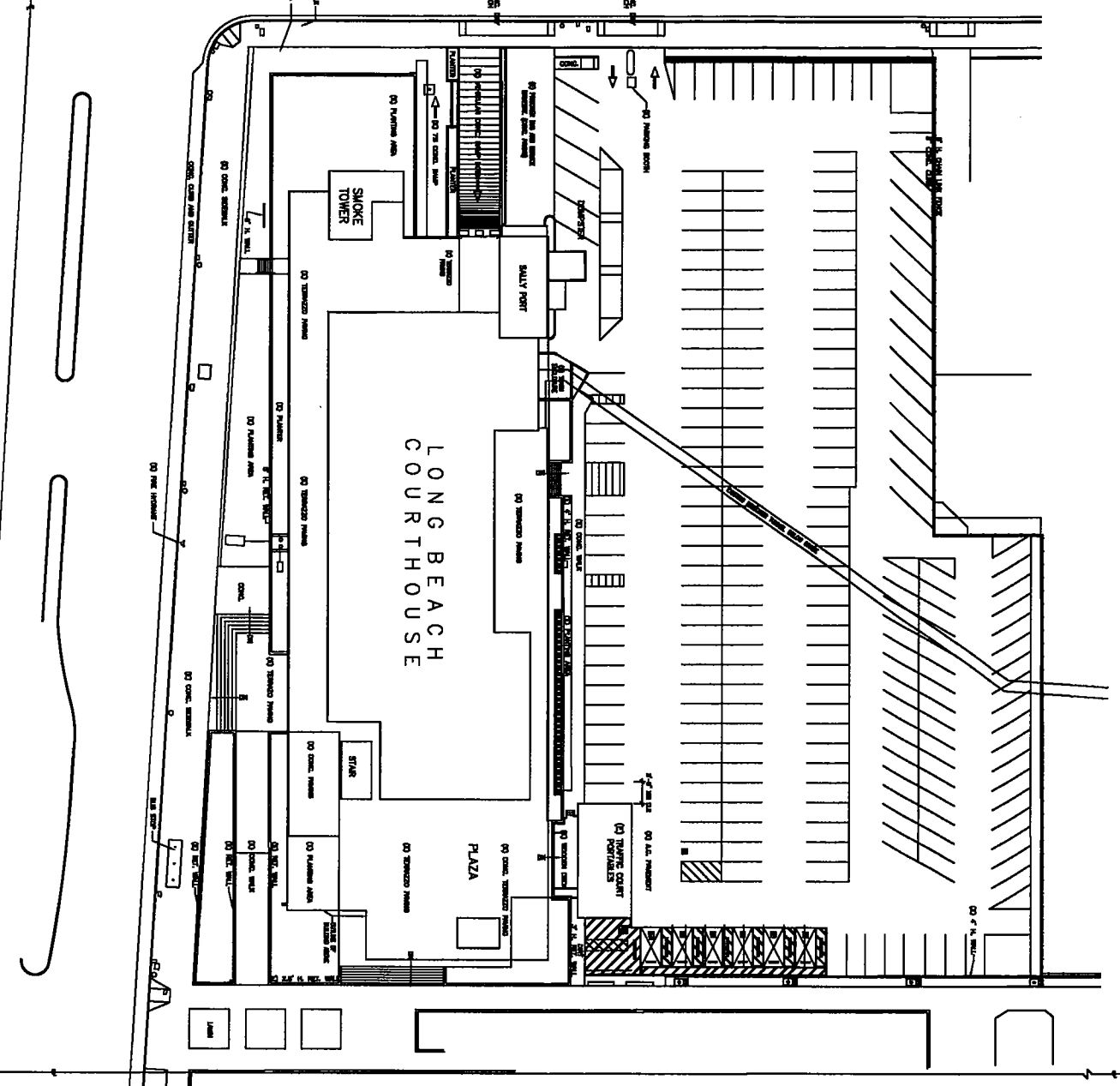
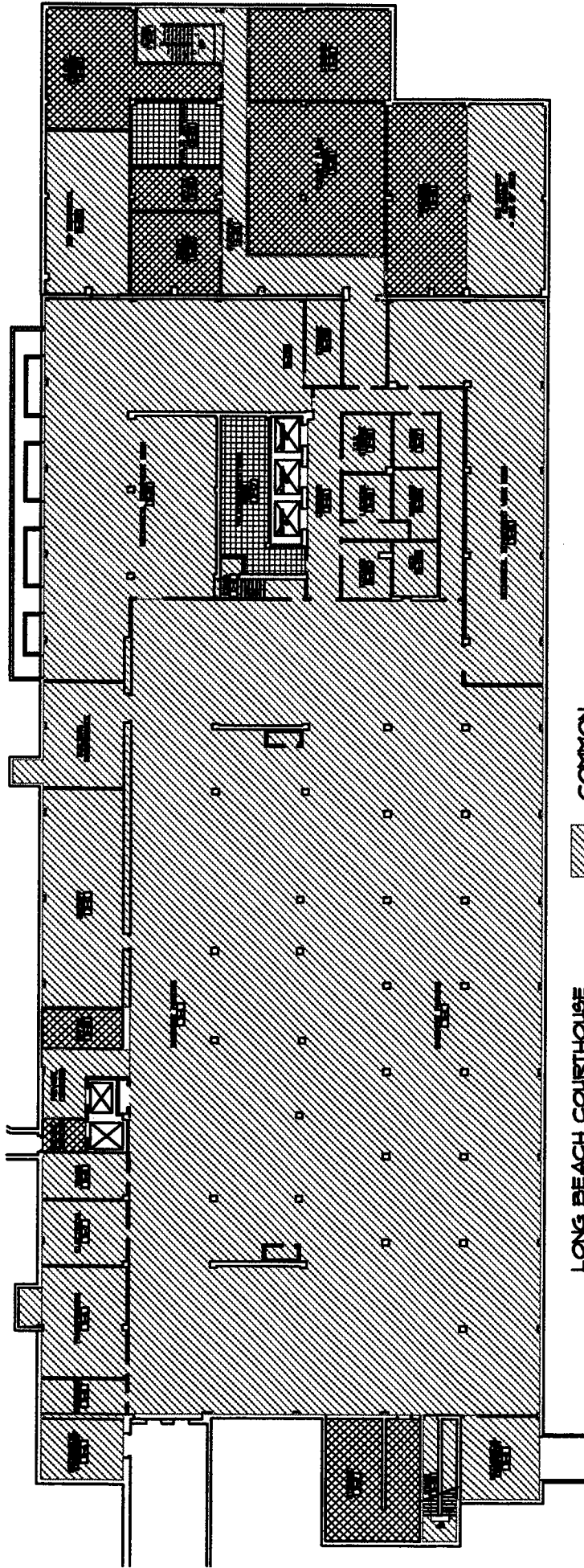


EXHIBIT “E”

FLOOR PLAN OF BUILDING INTERIOR

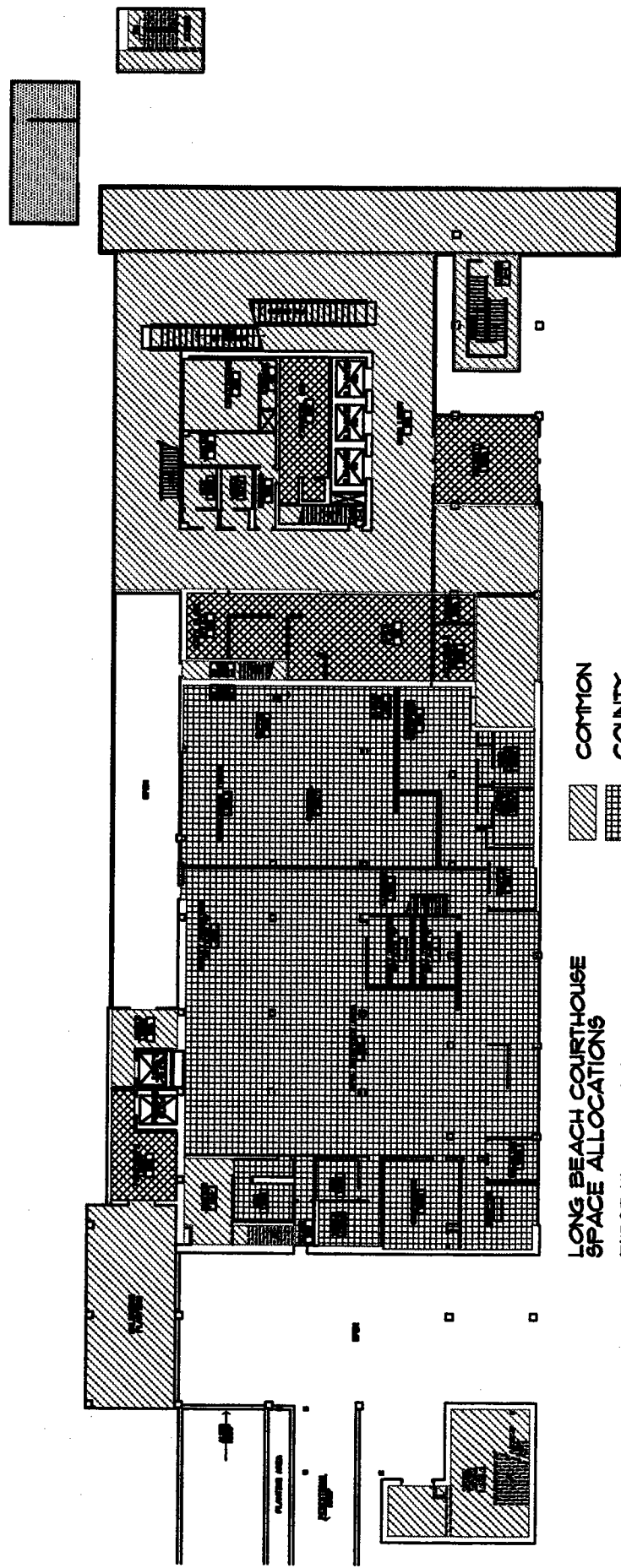
[See attached.]

E-1



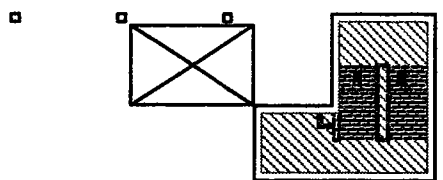
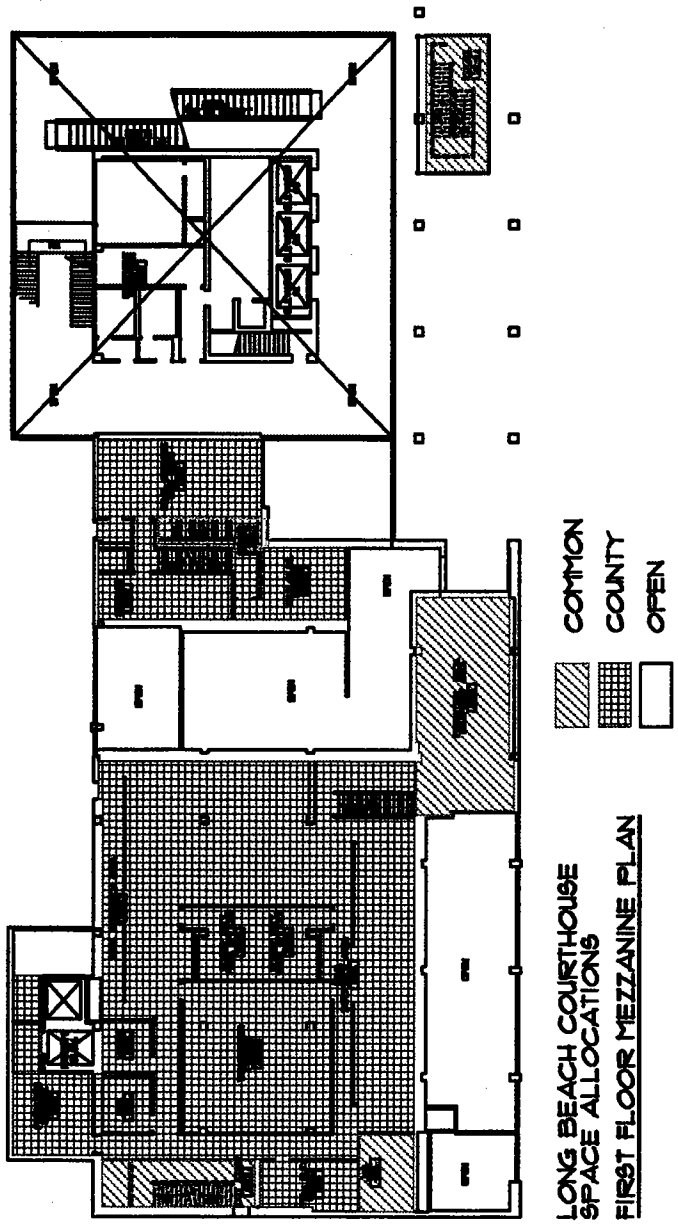
- COMMON
- COUNTY
- COURT
- OPEN

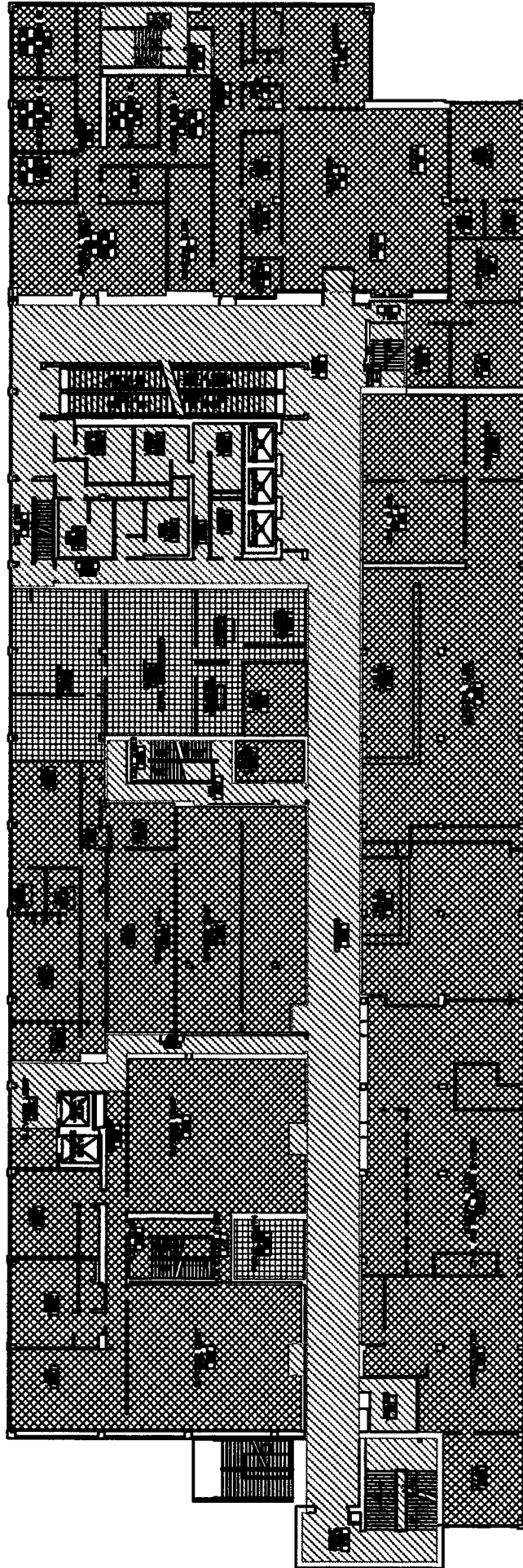
LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
BASEMENT FLOOR PLAN







- COMMON
- COUNTY
- COURT
- OPEN
- TRAILER

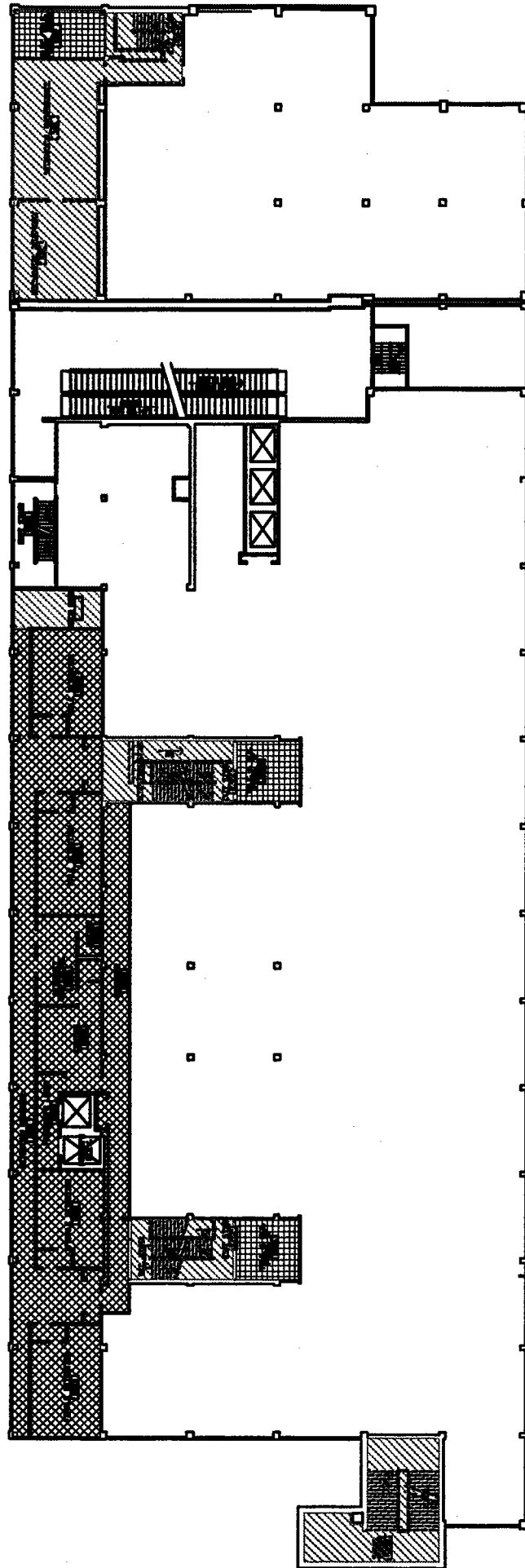
LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
FIRST FLOOR PLAN





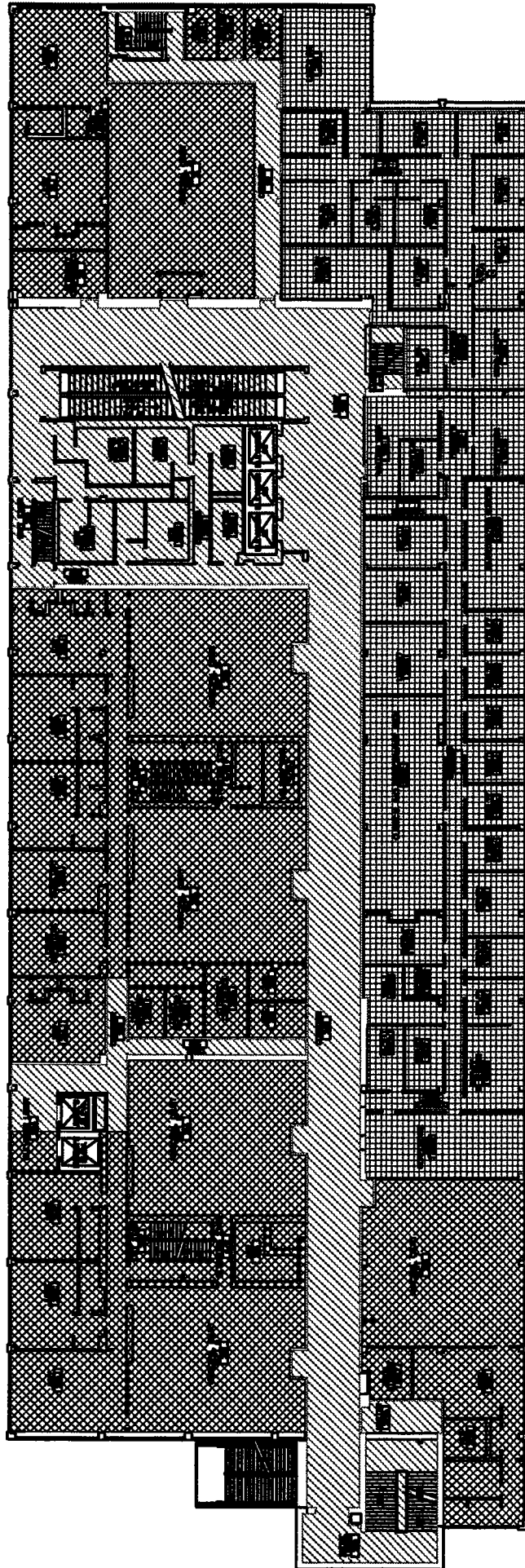
LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
SECOND FLOOR PLAN

- | | |
|---|--------|
|  | COMMON |
|  | COUNTY |
|  | COURT |
|  | OPEN |



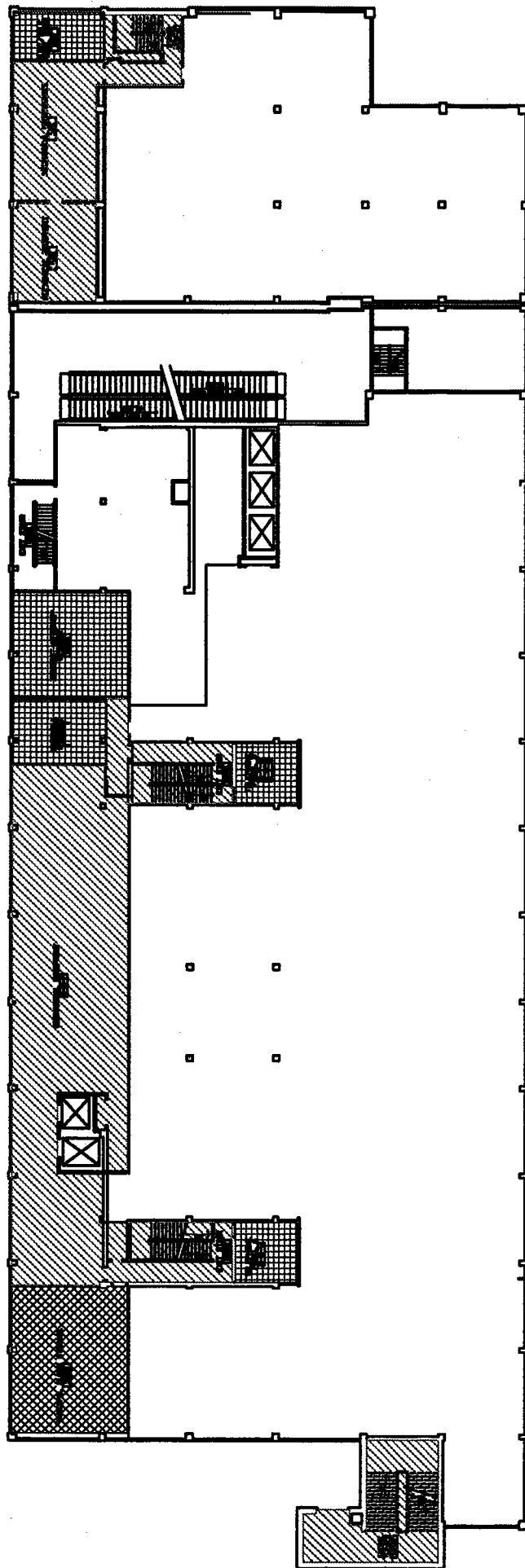
- COMMON
- COUNTY
- COURT
- OPEN

LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
SECOND FLOOR MEZZANINE PLAN



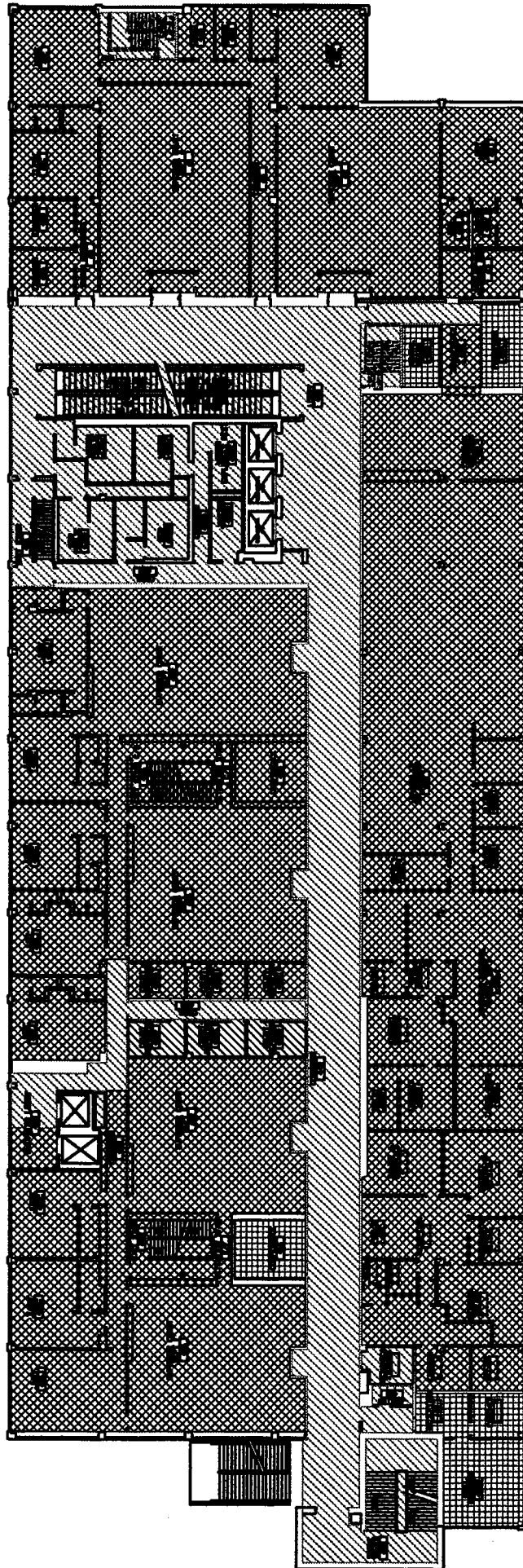
COMMON
COUNTY
COURT
OPEN





LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
THIRD FLOOR PLAN



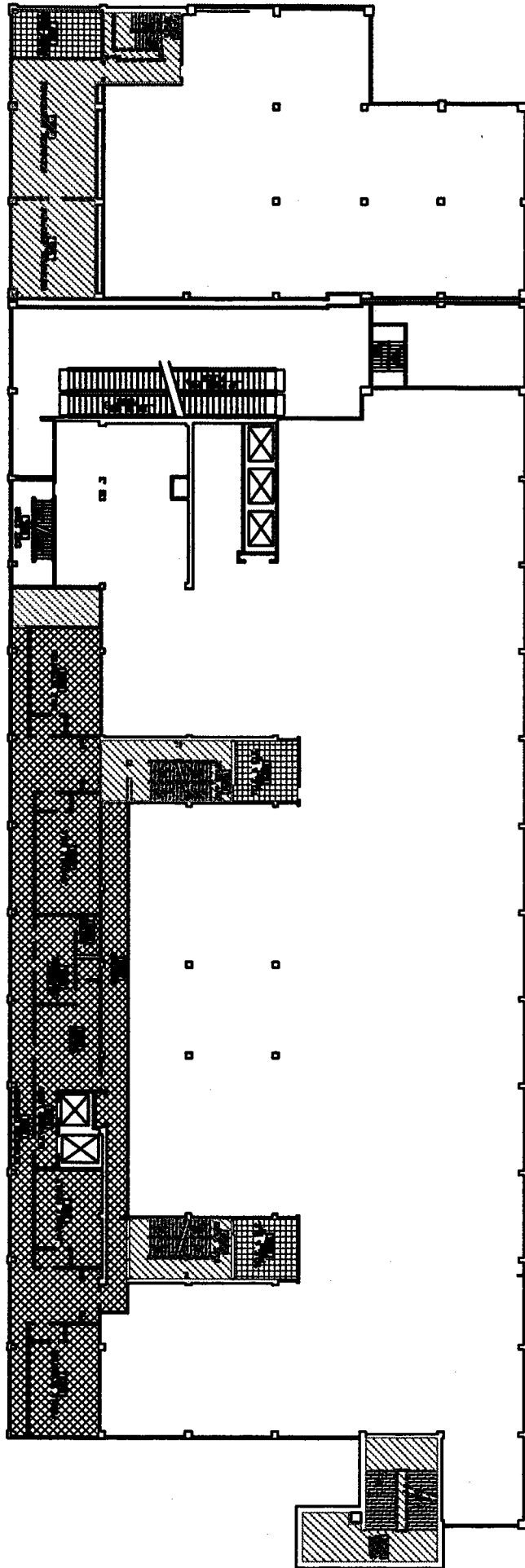
- COMMON
- COUNTY
- COURT
- OPEN

LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
THIRD FLOOR MEZZANINE PLAN



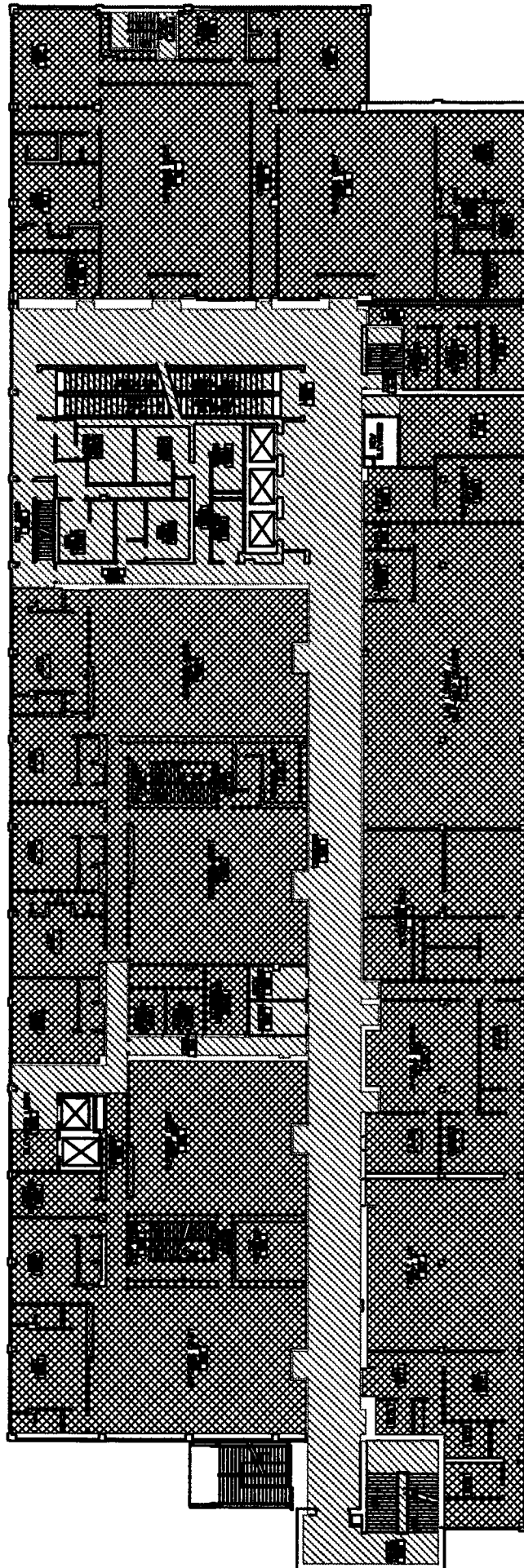
	COMMON
	COUNTY
	COURT
	OPEN

LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
FOURTH FLOOR PLAN



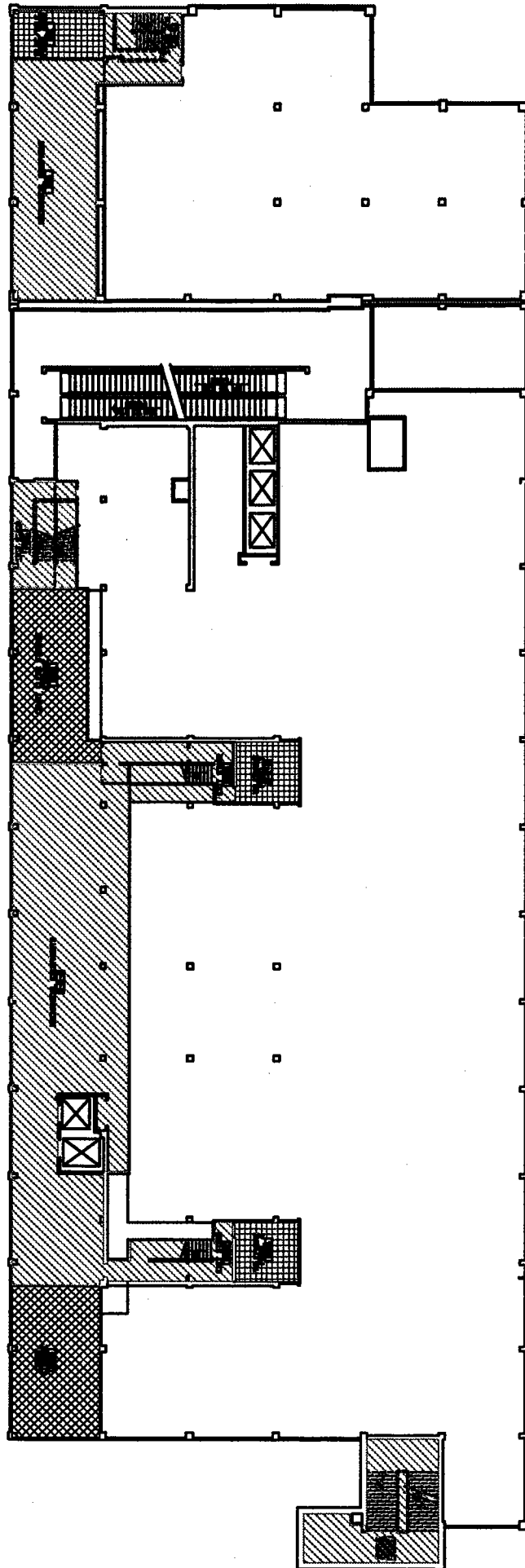
- COMMON
- COUNTY
- COURT
- OPEN

LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
FOURTH FLOOR MEZZANINE PLAN



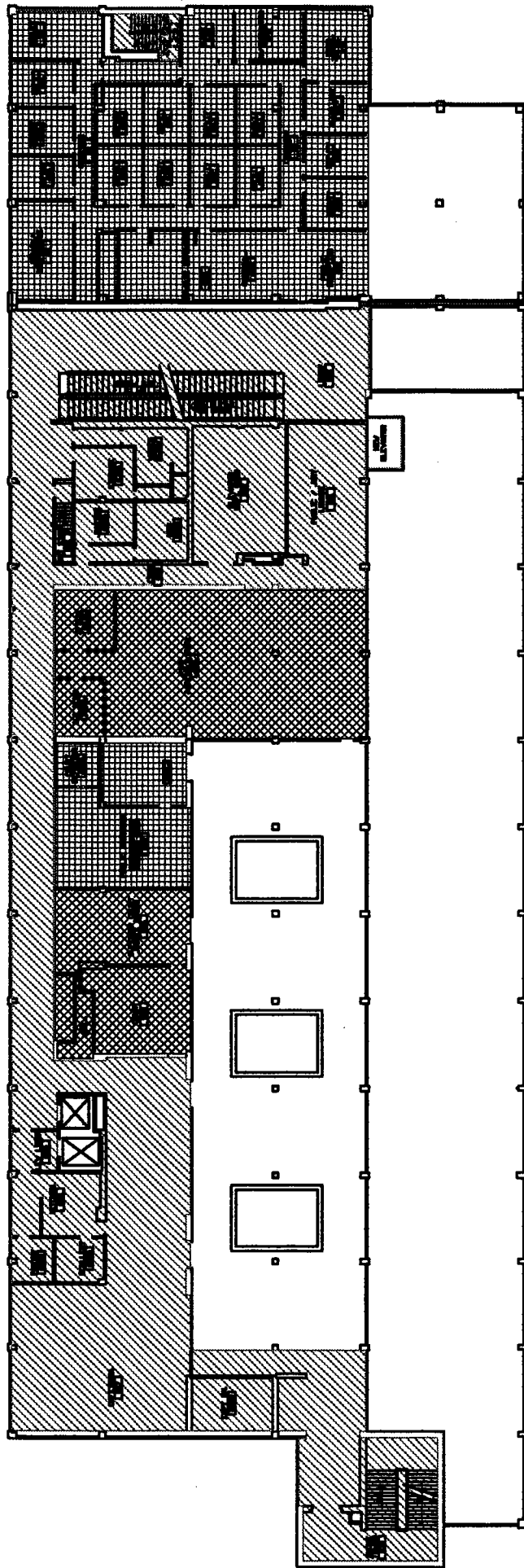
COMMON
COURT
OPEN

LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
FIFTH FLOOR PLAN



- COMMON
- COUNTY
- COURT
- OPEN

LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
FIFTH FLOOR MEZZANINE PLAN



COMMON
COUNTY
COURT
OPEN

LONG BEACH COURTHOUSE
SPACE ALLOCATIONS
SIXTH FLOOR PLAN

EXHIBIT “F”

CATEGORIES OF PROPERTY DISCLOSURE DOCUMENTS

[See attached.]

Due Diligence Checklist

TSFR TYPE	[County] [Facility] [Address]	Building ID #: GBSF: % Court Occupied:	[xx-xx-xx] [xx,xxx] [xx]
	Item (priority items in bold)	Doc. Avail.	Delivery Date Comments
1 - Material Agreements			
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	Contracts related to title, use, occupancy or condition of court facility requiring more than 30 days prior notice to terminate and annual payment from or to the County of more than \$25,000	[Y/N/TBD/ NA]	1/1/2005
2 - Structural/Physical Condition			
<input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(a) Plans and specifications for the original planning, design and construction of the buildings or for later additions or structural modifications, site plans, building plans, floor plans, flood maps		
<input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(b) "As-built" construction documents, including architectural, structural, mechanical, plumbing, and engineering plans and/or specifications		
<input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(c) Structural or engineering assessments, reports or notices		
<input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(d) Current floor plans for each floor (including basements)		
<input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(e) Inspection reports		
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(i) Documents describing repairs or maintenance made or required		
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(j) Documents reflecting the age and condition of the building roofs and the systems and equipment installed in or affixed to each court facility including HVAC, security systems, intercom or other internal communications systems, fire life safety systems, elevators and escalators;		As applicable for leases
<input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(k) Seismic studies, seismic retrofitting or upgrades recommended or completed		
<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	(l) Fire/Life/Safety Compliance Documents		

Due Diligence Checklist

3 - Environmental

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(a) Phase I or Phase II environmental site assessments
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(b) Asbestos and mold reports
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(c) Radon, methane gas or other air quality studies
<input type="checkbox"/>	<input type="checkbox"/>	(d) Environmental Impact Reports
<input type="checkbox"/>	<input type="checkbox"/>	(e) Endangered species investigations
<input type="checkbox"/>	<input type="checkbox"/>	(f) Biological assessments
<input type="checkbox"/>	<input type="checkbox"/>	(g) Negative declarations
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(h) Remedial action plans
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(i) Notices from and correspondence with any governmental body relating to compliance with environmental laws
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(j) No further action (NFA) letters
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(k) Environmental covenants and restrictions
<input type="checkbox"/>	<input type="checkbox"/>	(l) Closure reports
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(n) Permits or licenses related to environmental compliance
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(o) Documents and inspection reports related to underground or above-ground storage tanks
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(p) County's written disclosures to/from third parties regarding environmental conditions

4- Title

<input type="checkbox"/>	<input checked="" type="checkbox"/>	(a) County's current title policy or title report, if any
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(b) New title report and recorded title exception documents
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(c) ALTA survey and any maps, plats, plans, specifications or other drawings/depictions of each court facility
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(d) Descriptions of unrecorded/unwritten liens and encumbrances
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(f) Covenants, conditions and restrictions
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(g) Reciprocal easement agreements

5 - Compliance

<input type="checkbox"/>	<input type="checkbox"/>	(a) Certificates of occupancy	As applicable for leases
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(b) Inspection certificates for elevators, escalators, fire safety equipment and other building systems	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(c) Assessments, reports or analyses relating to ADA compliance	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(d) Permits and approvals for capital improvements, repair or maintenance projects	
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	(e) Licenses for software and other proprietary materials to be transferred	

Due Diligence Checklist

☒ (f) Notices and correspondence concerning actual or claimed violations of law related to real property or building

☐ (g) Licenses and permits required for any business operated on the property (other than the courts)

6 - Occupancy

☒ (a) Leases, subleases and rental agreements

☒ (b) Licenses for use of land, building or personal property

☒ (c) Occupancy or use arrangements (verbal or written)

☒ (d) Notices and material correspondence related to any lease, sublease, rental agreement, license or other occupancy or use arrangements

7 - Intangible Rights and Obligations

☒ (a) Written/verbal contract rights and commitments (e.g., leases for equipment, signage or other personal property, vending machine rental or purchase agreements, service or maintenance contracts, vendor agreements, contracts for or related to the development, design, construction, ownership, repair, maintenance, operation, upkeep and/or inspection of all or any part of the real or personal property to be transferred)

☒ (b) Software license agreements or arrangements to be transferred

☒ (c) Warranties, permits, licenses, certificates, guaranties and suretyship agreements and arrangements, indemnification rights, and any unresolved claims or demands made on any such warranties, indemnification rights, guaranties and/or suretyship agreements

☒ (d) Commitments, deposits and rights for utilities

☒ (e) Engineering, accounting, legal and other technical or business data concerning the real or personal property to be transferred, and title documents and information concerning any tangible personal property to be transferred

☒ (f) Deposits, deposit accounts and escrow accounts arising from or related to any transactions related to the land, building or intangible personal property, and rights to receive refunds or rebates of impact fees, assessments or charges, premiums

Due Diligence Checklist

<input type="checkbox"/>	■	■	(g) Rights to oil, gas and other hydrocarbons and minerals produced from or allocated to the land and the proceeds thereof
<input type="checkbox"/>	■	■	(h) Reversionary rights and interests held by the County or other third party in the land, any adjacent land or any other land previously comprising a part of the court property
■	■	■	(j) Amendments, addenda, exhibits, appendices, attachments, schedules, riders, modifications, renewals, extensions and other changes or additions of every kind to any of (a) through (i) above
8 - Insurance Coverage, Damage or Loss, Claims			
■	■	■	(a) Proceeds arising from any damage to or loss of all or any part of the court facility, including any commercial tort claims arising from or related to any such damage or loss
■	■	■	(b) Documentation of and written materials relating to any self-insurance programs covering all or any of the real or personal property to be transferred
9 - Condemnation			
■	■	■	(a) Claims, demands for mediation, arbitration or other dispute resolution procedure, causes of action or complaints received in connection with any actual or proposed condemnation or eminent domain proceeding affecting the court facility
■	■	■	(b) Proceeds to which the County is or may be entitled related to the taking of any part of the land or building by condemnation, eminent domain or transfer in lieu of condemnation or eminent domain, for public or quasi-public use under any law
10 - Litigation			
■	■	■	Brief written description of each pending or threatened claim, liability, litigation, arbitration, mediation, administrative proceeding, settlement negotiation or other dispute resolution proceeding involving, related to or affecting the court facility
11 - Excluded Documents			
■	■	■	If there are materials that are responsive to the AOC's document and information requests, but which the County believes it may not disclose to the AOC for reasons of attorney-client privilege, attorney work product privilege or confidentiality obligations, the AOC requests that the County provide the AOC with a written list setting forth the title and general subject matter of each such document.

Due Diligence Checklist

SPECIAL CONSIDERATIONS

A - Historical Buildings

☐ ☒ Historic Building Designation Documents

B - Bonded Indebtedness

☐ ☒ (a) Written evidence that County's interest in the land and building is subject to bonded indebtedness (as defined in Section 70301(a) of the Act)

☐ ☒ (b) Legal documents evidencing and/or securing the bonded indebtedness and any material notices or correspondence related thereto

☐ ☒ (c) Identification of all revenue sources that are and/or will be used to pay the bonded indebtedness

C - Pending Projects (see §§770326(d) and 70331 of SB 1732)

☒ ☒ (a) Written approval by the County's Board of Supervisors for the pending project

☒ ☒ (b) Resolutions or ordinances approved by the County allocating, approving, appropriating or committing funds for the applicable phases of a pending project

☒ ☒ (c) Contracts or agreements entered into, or under negotiation, by the County for a pending project

☒ ☒ (d) Written description of the source and amount of all County funds allocated, approved, appropriated or committed for a pending project and the terms and conditions applicable to the County's use of such funds

☒ ☒ (e) Draft/final plans, specifications, energy or structural calculations, drawings, maps and surveys depicting or related to a pending project

☒ ☒ (f) Permits and approvals given by any governmental body for a pending project, and/or completed applications for required permits or approvals for a pending project, including CEQA documents

☒ ☒ (g) Bids, estimates, proposals, responses to requests for proposals or other documents reflecting proposed pricing for labor and/or materials for any one or more of the pending projects

☒ ☒ (h) Materials related to the approval, permitting, funding, planning, implementation, performance and/or completion of the pending project

EXHIBIT "G"

LIST OF DISPUTES AS OF THE EFFECTIVE DATE

None.

G-1

EXHIBIT "H"

COPY OF SECTION 70324 OF THE ACT

Section 70324.

(a) If responsibility for court facilities is transferred from the county to the state pursuant to a negotiated agreement, and the building containing those court facilities is rated as a level V seismic rating, the following provisions shall apply to the transfer.

(1) Except as provided in paragraph (3), the county shall be responsible for any seismic-related damage and injury, including, but not limited to, damage and injury to real property, personal property, and persons, only to the same extent that the county would be liable for that damage and injury if responsibility was not transferred to the state, and the county shall indemnify, defend, and hold the state harmless from those claims.

(2) Except as provided in paragraph (3), in the event that seismic-related damage occurs to a building containing court facilities for which the county retains liability under this section, the county either shall make repairs to the damage or provide funds to the state sufficient to make those repairs, in order to bring the damaged portions of the building containing court facilities back to the condition in which they existed before the seismic-related event. The county may postpone the making of repairs to the damage or providing funds to the state for those repairs, if it provides the court, at county expense, with necessary and suitable temporary facilities, subject to the agreement of the Judicial Council.

(3) The county shall not be liable for any damage or injury sustained in a seismic event to the extent the damage or injury is attributable to actions or conditions created by or under the control of the state. The state shall indemnify, defend, and hold the county harmless from any liability resulting from that damage or injury. The state does not have a duty to make changes or repairs to improve the seismic condition of the building.

(4) As part of, or subsequent to, the transfer agreement, the county and the Judicial Council may agree on a method to address the seismic issue so that the state does not have a financial burden greater than it would have

had if the court facilities initially transferred were court facilities in buildings rated as a level IV seismic rating.

(b) This section shall not apply to events occurring on or after the earliest of the following dates:

(1) The facilities covered by this section are seismically-rated at any level lower than level V.

(2) The facilities are no longer used as court facilities.

(3) Thirty-five years from the date of transfer of the facilities.

(4) The county has complied with the conditions for relief from liability contained in an agreement pursuant to paragraph (4) of subdivision (a) addressing the seismic issue with regard to the facility, and the agreement has been approved by the Director of Finance.

(c) The provisions of this section shall prevail over any conflicting provisions of this chapter in regard to transfer of responsibility for court facilities in buildings rated as a level V seismic rating.

(d) This section shall not be deemed to impose greater liability on a county for seismic-related damage to third parties other than it would have if the responsibility for court facilities had not transferred to the state.

(e) Nothing in this chapter shall require the transfer of responsibility for court facilities in a building that is rated as a level V seismic rating.

(f) The terms of this section in effect at the time an agreement is executed for transfer of responsibility shall continue to govern that agreement for transfer, notwithstanding any subsequent repeal of this section.

(g) This section shall remain in effect only until January 1, 2010, and, as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2010, deletes or extends that date.

AOC Facility # 19-Y1;
County LACO # 4288
Long Beach Courthouse
415 West Ocean Blvd.
Long Beach, CA 90802

Attachment B

JOINT OCCUPANCY AGREEMENT
BETWEEN
THE JUDICIAL COUNCIL OF CALIFORNIA,
BY AND THROUGH
THE ADMINISTRATIVE OFFICE OF THE COURTS
AND
THE COUNTY OF LOS ANGELES
FOR THE LONG BEACH COURTHOUSE

AOC Court Facility # 19-Y1

County LACO # 4288

June 6, 2007

982192.7

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JOINT OCCUPANCY AGREEMENT

1. PURPOSE

The Judicial Council of California, an entity established by the Constitution of the State of California (the “**Council**”), by and through the Administrative Office of the Courts, staff agency to the Council (the “**AOC**”), and the County of Los Angeles, a body corporate and politic (the “**County**”), establish this Agreement as of June ____, 2007, and set forth the terms and conditions for the Parties’ shared possession, occupancy, and use of the Real Property.

2. DEFINITIONS

“**Act**” means the Trial Court Facilities Act of 2002 (Chapter 1082, Statutes of 2002, as amended, including Government Code sections 70301-70404), as of the Effective Date.

“**Additional Court Area Services**” means those services provided by the County under section 3.2.1.3 of this JOA.

“**Building**” means the building commonly known as the Long Beach Courthouse, located at 415 West Ocean Boulevard, Long Beach, California, 90802, on the Land in which the Court Facility (as defined in the Transfer Agreement) is located, all Building Equipment, and all connected or related structures and improvements, including the modular court structure located to the north of the Long Beach Courthouse that is currently used by the Superior Court for Traffic Court, and designated Department 12.

“**Building Equipment**” means all installed equipment and systems that serve the Building generally, and only that plumbing that is within the walls of the Building or in the Common Area, but not those plumbing fixtures that are located in an Exclusive-Use Area. The Building Equipment does not include the equipment and systems that exclusively serve the Exclusive-Use Area of only one Party.

“**Building Software**” means any software used in connection with the Building Equipment.

“**City Parking Lease**” means that certain Lease Agreement, dated August 3, 2004, identified by County Lease Number 75047, between the County, as lessor, and the City of Long Beach, a body corporate and politic, as lessee, for 162 parking space in County Auto Park 67A, and any successor thereof or replacement thereto. The City Parking

Lease was, or will be, assigned to the Council under the Transfer Agreement as of the Title Transfer Date.

“Common Area” means the areas of the Real Property that are used non-exclusively and in common by, or for the common benefit of, the Council, the County, the Superior Court, and the Occupants, and includes (1) those portions of the Building depicted as Common Area on **Exhibit “E”** attached to the Transfer Agreement, including hallways, stairwells, elevators, and restrooms that are not located in either Party’s Exclusive-Use Area, (2) foundations, exterior walls, load-bearing walls, support beams, exterior windows, the roof, and other structural parts of the Building, (3) Building Equipment that does not exclusively serve only one Party’s Exclusive-Use Area, (4) driveways, walkways, and other means of access over the Land and to the Building, (5) all Utilities, (6) that portion of the underground tunnel used for transport of prisoners between the Building and the City jail facility that is located under the Land, and (7) any of the Land not otherwise defined as either Party’s Exclusive-Use Area, including the On-Site Parking Area. The Common Area does not include any part of the Exclusive-Use Area of either Party, except for any Building Equipment that is located in a Party’s Exclusive-Use Area.

“Consent Decree” means the Executed Consent Decree filed on January 31, 2006 in the matter captioned *Miles, et al. v. County of Los Angeles, et al.*, USDC-CD No. CV 02-03932.

“Contractors” means all Third-Party contractors, vendors, service providers, and all levels of subcontractors, and their respective employees, consultants, and representatives, that provide goods, services, or supplies to the Real Property with respect to the Operation of the Real Property.

“Contributing Party” means the County, subject to the Common Area Delegation set forth in section 3.2.2.2 of this JOA.

“Council Claim” means any demand, complaint, cause of action, or claim related to the period on and after the Responsibility Transfer Date, alleging or arising from acts, errors, omissions, or negligence of the Superior Court in the administration and performance of judicial operations in the Court Facility (e.g., allegations of civil rights violations made by a Third Party against a Superior Court employee).

“Council Designated Representative” means the individual designated as such in section 13 of this JOA.

“Council Share” means 75.59 percent, which is the percentage of the Total Exclusive-Use Area that is exclusively occupied and used by the Superior Court.

“County Auto Park 67A” means the surface parking lot located on the Land directly to the north of the Building.

“County Auto Park 67B” means the County-owned parking structure located at 101 Magnolia Avenue, Long Beach, CA, across the street from the Building, which contains a total of 977 parking spaces.

“County Designated Representative” means the individual designated as such in section 13 of this JOA.

“County Exclusive-Use Area” means the 39,403 square feet of the Building that are exclusively occupied and used by the County, as depicted on **Exhibit “E”** attached to the Transfer Agreement. As of the Effective Date, the County Exclusive-Use Area constitutes 24.41 percent of the Total Exclusive-Use Area.

“County Facilities Payment” means the payments the County must make to the State Controller with respect to the Court Facility under Article 5 of the Act.

“County Parties” means the County and its officers, agents, and employees.

“County Share” means 24.41 percent, which is the percentage of the Total Exclusive-Use Area that is exclusively occupied and used by the County.

“Court Exclusive-Use Area” means the 121,990 square feet of the Building interior that are exclusively occupied and used by the Superior Court, as depicted on **Exhibit “E”** attached to the Transfer Agreement. As of the Effective Date, the Court Exclusive-Use Area constitutes 75.59 percent of the Total Exclusive-Use Area.

“Defect” means any condition of, damage to, or defect in the Common Area that:

- (1) threatens the life, health, or safety of persons occupying or visiting the Real Property;
- (2) unreasonably interferes with, disrupts, or prevents either Party’s or the Superior Court’s occupancy or use of the Real Property, or its ability to conduct its business operations in its Exclusive-Use Area, in an orderly, neat, clean, safe, and functional environment;
- (3) threatens the security of the employees, guests, invitees, or patrons of either Party or the Superior Court;
- (4) threatens to diminish the value of the Real Property, or threatens to damage or destroy the personal property of a Party or the Superior Court;
- (5) threatens the preservation of a Party’s or the Superior Court’s files,

records, and documents located in the Building; or (6) causes or exacerbates an unsafe, unsanitary, unlawful, or non-functional condition affecting the Real Property.

“Emergency” means a sudden, unexpected event or circumstance, on or affecting the Real Property, that (i) results in a Defect, and (ii) constitutes an imminent threat (a) to life, safety, health, or security, (b) of reduction in the value of the Real Property, or (c) to the preservation of a Party’s or the Superior Court’s files, records, and documents located in the Building.

“Effective Date” means the date that is defined as the Effective Date in the Transfer Agreement.

“Equipment Permits” means all governmental permits, certificates, and approvals required for the lawful operation of any of the Building Equipment.

“Equity” means the term “equity” as used and referred to in the Act.

“Estimated Shared Costs of Operation” means the Managing Party’s reasonable, itemized estimate of the Shared Costs for a fiscal year, exclusive of Utility Costs.

“Exclusive-Use Area” means the Court Exclusive-Use Area or the County Exclusive-Use Area, as determined by the context in which the term is used.

“First Year” means the time period commencing on July 1, 2007 and expiring on June 30, 2008.

“Hazardous Substance” means any hazardous or toxic material, substance, or waste governed by, or regulated under, any Law.

“Indemnified Loss” means all claims, demands, liabilities, damages, attorney fees, costs, expenses, or losses as to which either Party is obligated to indemnify the other Party under this JOA.

“JOA” means this Joint Occupancy Agreement.

“Land” means the real property on which the Building and the On-Site Parking Area are located, comprising approximately 3.78 acres as described on **Exhibit “A”** attached to the Transfer Agreement, including (1) rights to enter and exit the Land, (2) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Land, and (3) existing, granted development permits, entitlements, and air

and view rights, but subject to all covenants, conditions, restrictions, reservations, easements, rights, and rights of way of record, if any.

“Law” means State and federal codes, ordinances, laws, regulations, the California Rules of Court, and judicial and administrative orders and directives, to the extent binding on the County, the Council, the AOC, the Superior Court, or the Real Property, and issued by a court or governmental entity with jurisdiction over the County, the Council, the AOC, the Superior Court, or the Real Property.

“Liability Claim” means any demand, complaint, cause of action, or claim alleging (1) bodily injury to or death of a Third Party (excluding any employees of State Parties or County Parties acting within the scope of their employment as such) in, on, or about the Real Property, or (2) damage to or destruction of personal property of a Third Party (other than personal property of a County Party or a State Party) in, on, or about the Real Property.

“Major Defect” means any Defect: (i) that cannot, with reasonable diligence, be corrected within ten days, or (ii) as to which the estimated cost to correct is reasonably expected to exceed \$10,000.

“Managing Party” means the Council, subject to the Common Area Delegation set forth in section 3.2.2.2 of this JOA.

“Non-Ownning Party” means the Party that is not the Owner.

“Occupancy Agreement” means any agreement or arrangement that entitles a Third Party to occupy or use any part of the Real Property.

“Occupant” means any Third Party that occupies, possesses, or uses the Real Property, whether or not there exists an Occupancy Agreement.

“On-Site County Parking” means a total of 20 parking spaces in the On-Site Parking Area that are allocated to County staff and employees, nine of which parking spaces are in the secured, underground parking area beneath the Building, and 11 of which parking spaces are in County Auto Park 67A, all as shown on **Exhibits “D” and “E”** attached to the Transfer Agreement.

“On-Site Parking Area” means (i) the secured, underground parking area beneath the Building, which includes a total of 40 parking spaces; and (ii) County Auto Park 67A, which includes a total of 205 parking spaces; and (iii) the common areas of those parking lots, including the entrances, exits, driving and turnaround lanes, aprons, lighting,

landscaping, and any kiosks or other structures in those parking lots. The On-Site Superior Court Parking and the On-Site County Parking are located in the On-Site Parking Area.

“On-Site Superior Court Parking” means a total of 63 parking spaces in the On-Site Parking Area that are allocated to judges, Superior Court staff and employees, or jurors, 31 of which parking spaces are in the secured, underground parking area beneath the Building, and 32 of which parking spaces are in County Auto Park 67A, all as shown on Exhibits **“D”** and **“E”** attached to the Transfer Agreement.

“Operation” means the administration, management, maintenance, and repair of designated areas of the Real Property (such as a Party’s Exclusive-Use Area or the Common Area), and does not include additions or alterations covered by sections 3.2.1.3 or 3.2.2.3 of this JOA. For sake of clarity, custodial services are not governed by this JOA.

“Owner” means the Party that owns fee title to the Real Property, which shall be the County prior to the Title Transfer Date, and the State after the Title Transfer Date.

“Party” means either the Council or the County, and **“Parties”** means the Council and the County.

“Property Claim” means any claim or demand submitted by a Party under its Property Insurance Policy arising from, or related to, the physical loss or damage to the Real Property.

“Property Insurance Policy” means a policy of property insurance, self-insurance, or other forms of coverage obtained by a Party to insure against Property Losses.

“Property Loss” means any physical loss or damage to, or destruction of, the Real Property that arises from a cause other than the gross negligence or willful misconduct of a County Party or a State Party.

“Provided Superior Court Parking” means a quarterly average of 425 parking spaces per day that the County will provide and allocate to the Council, for use by the Superior Court in respect of the Court Facility, in the County parking structure commonly known as County Auto Park 67B.

“Real Property” means the Land and the Building.

“Responsibility Transfer Date” means the first day of the first month following the Effective Date, which is the date on which the Transfer of Responsibility (as defined in the Transfer Agreement) will take place.

“Second Year” means the time period commencing on July 1, 2008 and expiring on June 30, 2009.

“Security-Related Areas” means the parts of the Real Property that are used for secure holding and transport of prisoners, including holding cells, sallyports, and secured elevators, staircases, and corridors.

“Security Services MOU” means the Memorandum of Understanding and Comprehensive Court Security Plan between the County Sheriff’s Department and the Superior Court executed in March and April, 2004 by the parties, respectively, as amended or replaced from time to time.

“Service Standards” means those standards for the Operation of the Real Property set forth in **Attachment “3”** of this JOA.

“Seismic Retrofit Project” means the Long Beach Courthouse Refurbishment and Seismic Retrofit Project, County Capital Project #CP-86497.

“Share” means the Council Share or the County Share, as determined by the context in which the term is used.

“Shared Costs” means: (i) the cost of owned or rented capital replacement items, improvements, Building Equipment, and repairs in or benefiting the Common Area; (ii) the cost of normal, day-to-day Operation of the Common Area; (iii) the cost of obtaining and maintaining Equipment Permits, subject to section 3.2.4 below (but excluding any late fees, interest, penalties, or other charges arising from the Managing Party’s negligent failure to timely pay the cost or keep the Equipment Permits in effect); (iv) the Utility Costs for the Common Area; and (v) the Utility Costs for the Exclusive-Use Areas, if Utilities are not separately metered for the Exclusive-Use Areas. Shared Costs do not include: (a) any cost that is primarily for the purpose of benefiting a Party’s Exclusive-Use Area and can be differentiated as such; (b) overtime charges or late fees related to any item that would otherwise be a Shared Cost, unless those overtime expenses or late fees are pre-approved by both Parties, or are necessary to remedy an Emergency; (c) any fees, fines, penalties, interest, or other charges arising from the Managing Party’s Operation of the Real Property in a negligent manner or a manner that does not comply with Law; or (d) any costs or expenses related to the Provided Superior Court Parking.

“State Parties” means the State of California, the Council, the AOC, and the Superior Court, and their respective officers, agents, and employees.

“Superior Court” means the Superior Court of California, County of Los Angeles.

“Superior Court Area Services” means the Operation of the Court Exclusive-Use Area for which the County will be responsible pursuant to section 3.2.1.2 of this JOA.

“Term” means the term of this JOA, which commences on the Responsibility Transfer Date and continues indefinitely until the Parties enter into a Termination Agreement, subject to the terms of section 3.11 of this JOA.

“Termination Agreement” means the document titled Termination of Joint Occupancy Agreement in the form and content similar to **Attachment “1”** attached to this JOA.

“Third Party” means any person, entity, or governmental body other than a State Party or a County Party.

“Title Transfer Date” means the date on which the Quitclaim Deed (as defined in the Transfer Agreement) is recorded in the office of the County Recorder.

“Transfer Agreement” means that certain Transfer Agreement Between the Judicial Council of California By and Through the Administrative Office of the Courts and the County of Los Angeles for the Transfer of Responsibility for and Title to the Long Beach Courthouse, of approximately even date herewith.

“Total Exclusive-Use Area” means, together, the Court Exclusive-Use Area and the County Exclusive-Use Area.

“Utilities” means all of the utilities provided to the Real Property, except for telecommunications services provided by the County or by Third Parties.

“Utility Costs” means the actual cost of providing Utilities.

3. RIGHTS AND RESPONSIBILITIES

3.1 Rights to Exclusive-Use Area and Common Area. Under the Act, the Transfer Agreement, and this JOA, during the Term, the County has the right to

exclusively occupy and use the County Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area, and the State Parties have the right to exclusively occupy and use the Court Exclusive-Use Area and the non-exclusive right to occupy and use the Common Area. Each Party's non-exclusive right to use the Common Area must: (i) not interfere with the other Party's use of its Exclusive-Use Area or the Common Area; (ii) not materially increase the other Party's obligations under this JOA; and (iii) comply with Law. The Parties may from time to time agree on reasonable rules and regulations for their shared use of the Common Area.

3.2 Responsibility for Exclusive-Use Areas and Common Area.

3.2.1 Exclusive-Use Areas.

3.2.1.1 Responsibility. During the Term, each Party is responsible for the Operation of its Exclusive-Use Area at its sole cost and expense. Each Party may make alterations and additions to its Exclusive-Use Area, as long as those alterations and additions do not unreasonably interfere with the other Party's use of, or ingress to and egress from, its Exclusive-Use Area or the Common Area.

3.2.1.2 Superior Court Area Delegation. Notwithstanding anything to the contrary in this JOA, commencing on the Responsibility Transfer Date, and continuing during the First Year and the Second Year, the Council exclusively delegates its responsibility for the Operation of the Court Exclusive-Use Area (the "**Superior Court Area Delegation**") to the County, and the County accepts the Superior Court Area Delegation and agrees to be responsible for the Operation of the Court Exclusive-Use Area, and to keep and maintain the Court Exclusive-Use Area in good order and condition in accordance with Law and the Service Standards (the "**Superior Court Area Services**"). The Parties agree that the County does not have an obligation to inspect the Court Exclusive-Use Area, and is only required to provide the Superior Court Area Services to the extent the County becomes, or is made, aware of any condition or circumstance in the Court Exclusive-Use Area requiring the Superior Court Area Services. Without foreclosing any other channels of informal communication between the Parties, the Council Designated Representative and the County Designated Representative may discuss any matter related to the Superior Court Area Services. The Council shall reimburse the County for the cost and expense of the Superior Court Area Services in accordance with section 4.6 of this JOA. At the Council's request, the County will provide reasonably detailed information regarding the Superior Court Area Services that have been or will be provided by the County, such as a service call log, including the list of services completed and status of pending work. Prior to the end of the Second Year, the Council may terminate the Superior Court Area Delegation by

written notice to the County either (i) concurrently with the termination of the Common Area Delegation described in section 3.2.2.2(ii)(b) below, or (ii) upon the County's failure to provide the Superior Court Area Services in accordance with this section 3.2.1.2, provided, the Council first complies with the terms of section 10.1 of this JOA, and provides the County with 90 days notice of such termination.

3.2.1.3 Alterations. The Council may request that the County provide alterations and additions to the Court Exclusive-Use Area that are not otherwise required of the County as part of the Superior Court Area Services (the "**Additional Court Area Services**"). If the County consents to any such request, the Council and the County will work together diligently and in good faith to prepare a service request (the "**Service Request**") describing the scope of services and a detailed estimate of the time and cost for completing the Additional Court Area Services. The County Designated Representative, or his or her designee, and the Council Designated Representative, or his or her designee, shall approve the Service Request in writing prior to the County incurring any costs or expenses under the Service Request. The County will diligently pursue the completion of the Additional Court Area Services in accordance with the Service Request, and the Council will be responsible to pay the costs and expenses set forth thereunder within 30 days following the completion (or, to the extent provided in the Service Request, the partial completion) of the Additional Court Area Services and the receipt of an invoice from the County, and reasonable documentation therefor, in respect of the Service Request. The Council will not be responsible for any cost or expense not set forth in the Service Request, and the County must obtain the written consent of the Council Designated Representative, or his or her designee, to any change to the Service Request prior to incurring any such additional costs or expenses. Prior to undertaking any services in the Court Exclusive-Use Area, the County is responsible to determine whether such services are, in whole or in part, Superior Court Area Services or Additional Court Area Services, and to the extent the County incurs any cost or expense in connection with any Additional Court Area Services prior to obtaining the Council Designated Representative's, or his or her designee's, written approval of a Service Request, such services shall be deemed to be Superior Court Area Services provided by the County pursuant to section 3.2.1.2 of this JOA. For sake of clarity, nothing in this section 3.2.1.3 limits or prevents the Council from obtaining Additional Court Area Services from any Third Party.

3.2.2 Common Area.

3.2.2.1 Responsibility. During the Term, the Managing Party is responsible for the Operation of the Common Area under this JOA, and the Contributing Party is responsible for paying its Share of the Shared Costs pursuant to section 4 of this

JOA. If the County is responsible for the duties of the Managing Party under this JOA, the County will undertake the Operation of the Common Area in accordance with the Service Standards.

3.2.2.2 Common Area Delegation. Notwithstanding anything to the contrary in this JOA, commencing on the Responsibility Transfer Date and continuing as long as the Parties agree thereafter (the “**Common Area Delegation Period**”), the Council exclusively delegates all of its rights and duties as Managing Party to the County (the “**Common Area Delegation**”), and the County accepts the Common Area Delegation and agrees to act as the Managing Party. During the Common Area Delegation Period, the County shall be entitled to all rights provided to, and shall be obligated to perform all duties required of, the Managing Party in this JOA, and the Council shall be entitled to all rights provided to, and shall be obligated to perform all duties required of, the Contributing Party in this JOA. The Council may withdraw and terminate the Common Area Delegation either (i) for any reason and at any time during the Common Area Delegation Period upon no less than 180 days prior written notice to the County, provided that the Common Area Delegation Period shall last for at least two years following the Responsibility Transfer Date, or (ii) due to the failure of the County either (a) to provide the Superior Court Area Services as required by section 3.2.1.2 of this JOA, or (b) to perform the duties of the Managing Party in a commercially reasonable manner and in accordance with the provisions of this JOA, provided the Council first complies with the terms of section 10.1 of this JOA, and provides the County with 90 days notice of such termination. Any termination of the Common Area Delegation by the Council pursuant to the foregoing sentence will take effect on the first day of a fiscal quarter, unless otherwise agreed in writing by the Parties. During the 180 days prior to the termination of the Common Area Delegation, the Parties will work together diligently and in good faith to effect a smooth transition of the Managing Party responsibilities from the County to the Council, including, to the extent applicable, the transfer or assignment of vendor and service agreements, equipment manuals and instructions, outstanding service requests and service request histories, warranties and guarantees for the Building and Building Equipment, documentation for Shared Costs, and other similar items.

3.2.2.3 Alterations. At either Party’s request, and with the written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed, the Managing Party may make reasonable additions and alterations to the Common Area, the cost of which will be a Shared Cost. If the Contributing Party neither consents, nor provides the Managing Party with a reasonably detailed description of its reasons for withholding its consent, within 30 days after the

Contributing Party's receipt of the Managing Party's request for consent to the Common Area additions or alterations, the Contributing Party will be deemed to have consented, and will be responsible to pay its Share of the costs and expenses actually incurred by the Managing Party in making the Common Area alterations or additions up to the amount described in the Managing Party's request for consent.

3.2.3 Utilities. The Managing Party will be responsible to maintain all Utility accounts in its name and cause all Utilities to be provided to the Real Property. Each Party will be responsible for its Share of the fees and charges for Utilities provided to the Real Property on and after the Responsibility Transfer Date pursuant to section 4 of this JOA. Following the termination of the Common Area Delegation Period, the Parties will work together diligently, and in good faith, to cause the County's accounts with the providers of Utilities to be closed and new Utilities accounts to be opened in the name of the Council or its designee.

3.2.4 Equipment Permits. The Managing Party is responsible for obtaining and maintaining the Equipment Permits, the cost of which shall be a Shared Cost. Notwithstanding the foregoing, if, as of the Responsibility Transfer Date, any of the Equipment Permits are expired or otherwise not in full force or effect as a result of the County's failure to exercise diligent, good faith efforts or the County's negligence, the County will be solely responsible for all costs and expenses associated with initially obtaining or renewing such expired Equipment Permits.

3.2.5 Building Software. The County will continue to maintain the Building Software and the County's hardware that operates the Building Software for the benefit of both Parties. The Council and the County will work together, reasonably and in good faith, to determine if any licenses or other rights to use to the Building Software exists separate and apart from the Building Equipment, and which Party should be the licensee or rights holder thereunder. If agreed to by the Parties, the Parties will then take the steps necessary to transfer control of such Building Software from the County to the Council, the AOC, or the Superior Court.

3.2.6 Correction of Defects.

3.2.6.1 Defect. Upon the Managing Party's discovery of a Defect, the Managing Party shall either (i) correct the Defect within ten calendar days, or (ii) if the Defect is reasonably expected to be a Major Defect, send a written notice to the Contributing Party, within three business days, describing the Defect (the "**Major Defect Notice**"). If the Managing Party does not provide an estimate of the time and cost to correct the Defect as part of its initial Major Defect Notice, the Managing Party shall

keep the Contributing Party reasonably apprised of the status of the obtaining such an estimate, and will provide such estimate to the Contributing Party promptly following its completion. After delivery of any Major Defect Notice, the Managing Party shall make available to the Contributing Party, upon the Contributing Party's request, any information that the Managing Party has in its possession that would assist the Contributing Party in its evaluation of the nature and extent of the Major Defect, including any written reports, photographs, Incident reports (pursuant to section 6.3.1 of this JOA), and information that was, or is being, used to develop an estimate for the time and cost to correct the Defect.

3.2.6.2 Contributing Party's Right to Correct. If the Managing Party neither corrects the Defect nor sends a Major Defect Notice within the time periods provided in section 3.2.6.1 above, and if the Managing Party's discovery of the Defect in section 3.2.6.1 was by written notice received from the Contributing Party, then the Contributing Party may, without obligation and without giving any notice or commencing any cure period under section 10.1 of this JOA, correct any Defect in any reasonable manner under the circumstances, provided that for any Major Defect, the Contributing Party must first prepare a Correction Plan pursuant to section 3.2.6.3 of this JOA.

3.2.6.3 Major Defect Correction Plan. For any Major Defect, within 15 days following the Contributing Party's receipt of a Major Defect Notice or the Contributing Party's notification to the Managing Party, the Parties will meet and confer, in good faith, in person or by telephone, to determine a plan ("**Correction Plan**") for the correction of the Major Defect, including the method, estimated cost, and time period for the correction. If the Managing Party does not thereafter diligently pursue completion of the Major Defect in accordance with the Correction Plan, the Contributing Party may, without obligation and without giving any notice or commencing any cure period under section 10.1 of this JOA, correct the Major Defect in a manner consistent with the Correction Plan. If the Party that actually performs the correction of the Defect (the "**Correcting Party**") at any time determines that the time or cost for correcting the Defect may exceed the time or cost set forth in the Correction Plan by more than 10 percent, the Correcting Party shall so inform the other Party, and promptly thereafter the Parties will meet and confer, in good faith, to determine how best to amend or revise the Correction Plan to correct the Defect within a mutually acceptable timeframe and at a mutually acceptable cost.

3.2.6.4 Not Applicable to Emergencies. This section 3.2.6 shall not apply to any Defect that arises from an Emergency, which Defects will be governed by section 3.2.7 of this JOA.

3.2.7 Emergencies. If any Emergency occurs, the Parties shall immediately notify one another of the Emergency by telephone or any other means reasonable under the circumstances, and the Managing Party shall promptly take steps to correct any Defect that arises from the Emergency. If the Managing Party does not promptly correct any such Defect arising from an Emergency, the Contributing Party may, without obligation and without giving any notice or commencing any cure period under section 10.1 of this JOA, correct that Defect without making any further demand on the Managing Party, and shall notify the Managing Party of the steps taken to correct the Defect as soon as reasonably possible. The Party that corrects a Defect arising from an Emergency under this section 3.2.7 is entitled to reimbursement from the other Party of the non-Correcting Party's Share of the actual cost of correcting the Emergency pursuant to section 3.2.8 of this JOA.

3.2.8 Correcting Party; Reimbursement. The Correcting Party shall be responsible for diligently pursuing the correction of any Defect pursuant to sections 3.2.6 or 3.2.7 of this JOA, and the non-Correcting Party shall reimburse the Correcting Party for the non-Correcting Party's Share of the actual costs that the Correcting Party incurs in correcting any Defect. If the Correcting Party is the Managing Party, the Correcting Party shall be reimbursed in accordance with section 4 of this JOA, and if the Correcting Party is the Contributing Party, the Managing Party shall reimburse the Contributing Party for the Managing Party's Share of the costs to correct the Defect within 30 days after the Contributing Party has delivered to the Managing Party an invoice and reasonable supporting documents evidencing the actual costs to correct the Defect. Notwithstanding the foregoing, the Correcting Party shall not be entitled to reimbursement for amounts greater than 110 percent of the costs set forth in the Correction Plan (including any amendments or revisions thereto) approved by the non-Correcting Party pursuant to Section 3.2.6.3 of this JOA. If the non-Correcting Party does not timely reimburse the Correcting Party for the non-Correcting Party's Share of the costs of correction, the Correcting Party may offset the non-Correcting Party's Share of the costs to correct the Defect against any amounts that the Correcting Party owes to the non-Correcting Party under this JOA or any other agreement.

3.3 Parking.

3.3.1 On-Site Parking Area. The On-Site Parking Area is part of the Common Area, and the Managing Party is responsible for the Operation of the On-Site Parking Area as Common Area; provided, however, that the Council shall be solely responsible for, and shall have the sole right to all income from, the City Parking Lease. The On-Site County Parking Area may be used by the County Parties, and their contractors, invitees, licensees, and patrons, and the On-Site Superior Court Parking may

be used by the State Parties, and their judges, jurors, contractors, invitees, licensees, and patrons, on a first come, first served basis.

3.3.2 Provided Superior Court Parking. In addition to the On-Site Superior Court Parking, the County will also provide to the Council, for use by the State Parties, and their judges, jurors, contractors, invitees, licensees, and patrons, the Provided Superior Court Parking, which may be used on a first come, first served basis. The County will be solely responsible for Operation of the Provided Superior Court Parking, at the County's sole cost and expense. If any of the parking spaces in the Provided Superior Court Parking becomes unavailable for use in accordance with this section 3.3.2 such that the Superior Court has fewer than 425 parking spaces available to it per day in the County Auto Park 67B, the County will be responsible to provide, at no cost to the State Parties, alternate parking spaces of comparable number, type, and convenience to the parking spaces in Provided Superior Court Parking that are no longer available. Within 30 days following the end of each calendar quarter after the Responsibility Transfer Date, the County shall calculate the number of parking spaces that were provided in the Provided Superior Court Parking under this Section 3.3.2 during the days that the Superior Court was open for business in the prior calendar quarter (the "**Total Parking**"). The County may charge the Council for parking to the extent the Total Parking exceeds 425 parking spaces multiplied by the total number of days that the Superior Court was open for business in the prior calendar quarter (the "**Excess Parking**") at the then-prevailing rate charged to members of the public in County Auto Park 67B. (As an example only, if the Total Parking is 26,412 parking spaces for a calendar quarter in which the Superior Court was open for business on 62 days, and if members of the public pay \$6.00 per day for parking in County Auto Park 67B, then the Excess Parking will be 62 parking spaces, and the County may charge the Council \$372, which amount equals $(26,412 - 26,350) \text{ spaces} \times \6.00 , for the Excess Parking in that calendar quarter.) The County shall invoice, and the Council shall pay, for the cost of any Excess Parking within 30 days following receipt of an invoice from the County, and reasonable supporting documentation therefor, for the Excess Parking. The Council will have the right to audit the County's books and records in connection with any cost for Excess Parking pursuant to the terms of section 4.5 of this JOA, whether or not the Council is then the Contributing Party.

3.4 Cooperation. The Parties shall cooperate with one another, reasonably and in good faith, to ensure that each Party can peacefully enjoy, possess, use, and occupy its Exclusive-Use Area and the Common Area. The Owner shall cooperate in good faith with the Non-Ownning Party, and ensure that the Non-Ownning Party can exercise its rights and responsibilities under this JOA. Subject to any reasonable rules and restrictions, each

Party shall allow the other Party to enter its Exclusive-Use Area for any reasonable purpose related to the terms of this JOA or any other written agreement between the Parties. Either Party may delegate its responsibilities under this JOA to the other Party or to a Third Party, subject to the exclusive delegations set forth in sections 3.2.1.2 and 3.2.2.2 of this JOA, but no delegation will relieve the delegating Party from its obligations under this JOA.

3.5 Security-Related Areas. In accordance with the Security Services MOU, the County shall remain responsible for the secure entry, exit, transport, and holding of prisoners attending Superior Court sessions to, from, in, and through the Security-Related Areas, and shall have the right to enter the Court Exclusive-Use Area as reasonably necessary for that purpose.

3.6 Occupancy Agreements. Each Party is responsible for all Occupancy Agreements affecting its Exclusive-Use Area, in each case without contribution from the other Party, and the Managing Party is responsible for all Occupancy Agreements affecting the Common Area, except that the Council shall be responsible for the City Parking Lease. The Party that is responsible for each Occupancy Agreement is entitled to all income arising from it.

3.7 Telecommunication Services. As of the Responsibility Transfer Date, telecommunication services, including telephone, voicemail, computer networking, and wireless communications, are provided to the Superior Court by the County. In addition, the Building houses a "node" or "hub" which may connect telecommunication systems between and among other County-owned or -occupied buildings. Components of the County's telecommunication system include wiring, switches, routers, optical fibers, power supplies, cable modems, and antennas (collectively, the "**County Telecommunication Equipment**"), all of which shall remain the sole personal property of the County notwithstanding the Transfer of Responsibility and the Transfer of Title (as such terms are defined in the Transfer Agreement).

3.7.1 The Council agrees to cooperate fully with the County to ensure that the County has ingress, egress, and access to each and every area of the Real Property, including the Court Exclusive-Use Area, in which any of the County Telecommunication Equipment, or any component thereof or connection thereto, is located, for the purpose of the County's continued operation, use, maintenance, repair, replacement, and expansion of its telecommunication system. The Council shall endeavor to ensure that no action of the State Parties, including facility alterations or upgrades, or other activities that may affect the electrical power or the controlled environment for various components of the telecommunication system, causes damage to

any of the County Telecommunication Equipment, or interferes with the telecommunication services provided by the County. If any of the State Parties cause damage to any of the County Telecommunication Equipment or interference with the telecommunication services provided by the County, the County may make the necessary repairs or replacements and the Council shall be responsible for all costs incurred by the County associated with such repair or replacement.

3.7.2 The Parties agree that the Council may at any time provide a telecommunication system that replaces all or part of the County-provided telecommunication service, and at the County's sole discretion, existing wiring or other components may be used by the Superior Court or the Council for the replacement system. The fact that the Council may replace County systems in no way limits the Council's responsibility to ensure that the County continues to have access to the County Telecommunication Equipment located in or on the Real Property.

3.8 Criminal Background Screening. The Managing Party shall provide for the screening and approval of all County employees and County Contractors before they provide services in or make deliveries to, any area of the Real Property. The screening must be conducted by Live Scan background check or, if the Live Scan system becomes unavailable during the Term of this JOA, by other similar or successor system.

Attachment "2" to this JOA sets forth the criteria for approval of a County employee or County Contractor based on the results of the screening. In lieu of the Managing Party conducting the screening and approval process set forth herein, the Contributing Party may, but is not obligated to, conduct the screening and approval of County employees or County Contractors that have access to the Real Property, and, in such event, the Managing Party agrees to cooperate with the Contributing Party with respect to the screening of County employees or County Contractors that access the Real Property. Unless an exemption applies under section 3.8.2 of this JOA, only those County employees and County Contractors that have been screened and approved ("**Approved Persons**") may have unescorted access to the Real Property. Unscreened County employees and County Contractors may access Real Property if they are escorted and monitored by any of the following: (1) an Approved Person, or (2) an employee of the Superior Court if the Superior Court's Executive Officer, or his or her designee, consents to a Superior Court employee escorting and monitoring the unscreened person. The Managing Party shall ensure that the Operation of the Real Property is at all times consistent with this section 3.8, and for all Security-Related Areas, the Security Services MOU.

3.8.1 Approved Persons. The County shall issue an identification badge to each Approved Person bearing the Approved Person's name and picture, or affix a

sticker or other marking on the existing badges of those Approved Persons, to indicate their right to access the Real Property. The Parties will work together in a cooperative manner to ensure that Approved Persons enter only those portions of the Real Property where work is to be accomplished, and enter the Security-Related Areas only in accordance with the Security Services MOU. Approved Persons must wear their identification badges in a readily visible manner whenever they are on the Real Property.

3.8.2 Exemptions. The following County employees and County Contractors are exempt from the requirements of this section 3.8: (i) County employees who are already engaged in providing services or materials to the Real Property on the Responsibility Transfer Date; and (ii) unscreened persons only when responding to and correcting a Defect arising from an Emergency under section 3.2.7 of this JOA.

3.8.3 DOJ and DMV Requirements. Notwithstanding anything in this JOA to the contrary, the County must comply with background check and clearance requirements of the California Department of Justice (“**DOJ**”) and the California Department of Motor Vehicles (“**DMV**”) relating to any County employee or County Contractor who has physical access to any portion of the Court Exclusive-Use Area which is either connected to, or contains records from, the DOJ criminal computer database, including, without limitation, the California Law Enforcement Telecommunications System (CLETS) and the Criminal Offender Record Information (CORI), or the DMV computer database (collectively the “**Databases**”). If requested by either the Superior Court or the AOC, County must provide to either the Superior Court or the AOC suitable documentation evidencing the County’s compliance with the policies, practices, and procedures of the DOJ and the DMV regarding background check and clearance requirements relating to access to the Databases.

3.9 County Facilities Payment. Nothing in this JOA diminishes or modifies the County’s obligations under the Act for payment of the County Facilities Payment.

3.10 Special Circumstances. Notwithstanding any provision herein to the contrary, the County will remain responsible for all of its obligations under the Consent Decree, and the Seismic Retrofit Project, and upon reasonable notice to the Superior Court, and subject to any reasonable restrictions by the Council or the Superior Court, the County shall be allowed to enter the Court Exclusive-Use Area for all purposes related thereto.

3.11 Termination of JOA. Notwithstanding any provision of this JOA to the contrary, if the Transfer Agreement is terminated pursuant to section 6.2 of the Transfer Agreement, this JOA shall likewise be terminated, without any further action by either

Party, and following such termination, neither Party shall have any further rights or obligations hereunder.

4. SHARED COSTS

4.1 Estimate of Shared Costs of Operations. The Managing Party shall make timely, direct payment of all Shared Costs owed to Third Parties, and the Contributing Party shall reimburse the Managing Party for its Share of all Shared Costs under this section 4. At least 120 days before the first day of each fiscal year after the Responsibility Transfer Date, the Managing Party shall deliver to the Contributing Party a statement (the “**Estimate Statement**”) itemizing the Estimated Shared Costs of Operation, together with copies of reasonable documentation supporting the Estimated Shared Costs of Operation and, to the extent not already provided, copies of invoices, bills, and other similar supporting documentation for Utility Costs. The Contributing Party will either comment on or approve the Estimate Statement within 30 days, and if the Contributing Party disapproves any of the Estimated Shared Costs of Operation in the Estimate Statement, the Parties will promptly meet and discuss the reason for the disapproval. When the Parties reach agreement with respect to all Estimated Shared Costs of Operation, the Managing Party will, if necessary, revise the Estimate Statement, which both Parties will approve. Until the Contributing Party approves the Estimate Statement, the Contributing Party will pay its Share of the Shared Costs based on the approved Estimate Statement for the prior fiscal year.

4.2 Payment of Actual Shared Costs. Within 30 days after the end of each calendar month, the Managing Party will deliver to the Contributing Party a statement (the “**Monthly Invoice**”) itemizing the actual Shared Costs incurred during the previous calendar month (“**Actual Shared Costs**”). Within 30 days after a written request by the Contributing Party, the Managing Party will also deliver to the Contributing Party copies of supporting documents for any of the Actual Shared Costs shown on the Monthly Invoice. The Contributing Party will pay its Share of the Actual Shared Costs to the Managing Party within 30 days after its receipt of the Monthly Invoice, up to the Contributing Party’s Share of 110 percent of the Estimated Shared Costs of Operation and Utility Costs for that fiscal year. If the Actual Shared Costs exceed the sum of Estimated Shared Costs of Operation plus Utility Costs (“**Excess Costs**”) by more than 10 percent, or if the Managing Party has failed to provide the Contributing Party with adequate documentation supporting the Actual Shared Costs within 10 days following request by the Contributing Party, or if the Contributing Party reasonably believes that the amount of Actual Shared Costs may be in error, the Contributing Party will not be obligated to pay such Excess Costs until the Parties meet and reach agreement regarding the amount of the Excess Costs.

4.2.1 Agreement for Quarterly Invoicing and Payment. The Managing Party may, upon 30 days prior written notice to the Contributing Party, elect to deliver invoices itemizing Actual Shared Costs on a quarterly basis rather than on a monthly basis, in which event, the Contributing Party will pay all invoices itemizing Actual Shared Costs on a quarterly basis, and all references to "calendar month" in section 4.2 of this JOA will be automatically amended to refer to "fiscal quarter" and the defined term "Monthly Invoice" in this JOA will be automatically amended to "Quarterly Invoice".

4.3 Council as Managing Party. If the Council is responsible for the obligations of the Managing Party under this JOA, then notwithstanding the provisions of sections 4.1 and 4.2 of this JOA to the contrary: (a) following its approval of the annual Estimate Statement, the Contributing Party will pay its Share of (i) the Estimated Shared Costs of Operation based on the approved Estimate Statement, and (ii) the estimated Utility Costs, plus all additional amounts owed by the Contributing Party for the period during which the Parties were in the process of reaching agreement as to the Estimate Statement, in equal quarterly installments in advance on the first day of each fiscal quarter; (b) if the Actual Shared Costs are less than the Estimated Shared Cost of Operation plus Utility Costs for a particular fiscal quarter, the Managing Party will refund the amount overpaid to the Contributing Party within 30 days after the Managing Party's delivery of the Quarterly Invoice, except that if the Contributing Party consents, the Managing Party may retain the overpayment and offset it against future amounts owed by the Contributing Party under this JOA; and (c) the Contributing Party will pay any Excess Costs to the Managing Party within 30 days after its receipt of the Quarterly Invoice, except that (i) if the Excess Costs are more than 10 percent of the sum of Estimated Shared Costs of Operation and Utility Costs for any fiscal quarter, or (ii) if the Contributing Party has requested, but not received, supporting documents for any Excess Costs by 10 days prior to the date that payment is due, the Contributing Party will continue to make payment of its Share of the Shared Costs based on the Estimate Statement, but may defer payment of the Excess Costs (or, in the case of (ii) above, the Excess Costs to which the supporting documents relate) for that fiscal quarter, until the Parties have met and reached an agreement regarding the amount of the Excess Costs.

4.4 Notice of Anticipated Excess Costs. Prior to incurring any Shared Cost that the Managing Party reasonably believes will result in an Excess Cost in an amount greater than 10 percent of the Estimated Shared Costs of Operation shown on the Estimate Statement, the Managing Party must give written notice to the Contributing Party describing the amount and reason for that Excess Costs, except that no notice need be given to the Contributing Party under this section 4.4 if the Excess Costs arise from the correction of a Major Defect under section 3.2.6.3 of this JOA. If the Contributing

Party objects in writing to the Excess Costs within 30 days after receiving the Managing Party's notice, the Parties must meet and confer, in person or by telephone, within 10 calendar days to resolve their dispute concerning the Excess Costs. If the Parties do not reach agreement concerning the Excess Costs during that meet and confer process, the Parties will promptly seek to resolve their dispute concerning the Excess Costs under the terms of section 11 of this JOA. If the Contributing Party does not respond to the Managing Party's notice within 30 days of receiving the notice, the Managing Party may proceed with expenditure of the Excess Costs in the amount and for the purpose described in the notice, and the Contributing Party must pay its Share of those Excess Costs.

4.5 Records Retention; Audit Rights. The Parties will maintain all records relating to this JOA, in compliance and consistent with applicable law. The Managing Party will also maintain an accounting system, supporting fiscal records, and agreements related to the Real Property, adequate to ensure that all claims and disputes arising under this JOA can be resolved in accordance with the requirements of this JOA and the Act, for the period of time generally required by applicable Law. The Contributing Party may, at its sole cost and upon reasonable notice to the Managing Party, inspect the Managing Party's books, records, and supporting documents concerning all actual costs incurred related to the Actual Shared Costs for up to 18 calendar months prior to the date of the Contributing Party's inspection. The Parties will cooperate reasonably with each other to ensure that the inspection is performed promptly and without undue interference by either Party. If the Contributing Party disputes any Actual Shared Costs for any of the immediately preceding 18 calendar months, the Contributing Party may engage an independent certified public accountant, acceptable to both Parties, to audit the Managing Party's books and records to determine the amount of the Actual Shared Costs in dispute. The results of the audit will be binding on both Parties. If the audit reveals that the Contributing Party overpaid or underpaid Actual Shared Costs for a fiscal year, the Parties will make the payments necessary to resolve that overpayment or underpayment within 30 days following the completion of the audit and receipt of the final audit document by both Parties. The Contributing Party must pay the entire cost of the audit. The Contributing Party's payment of Shared Costs will not prevent it from disputing the accuracy of any Actual Shared Costs under this section 4.5.

4.6 Limitation on Actual Shared Costs.

4.6.1 First and Second Year Costs. Notwithstanding any provision of this JOA to the contrary, during the First Year and the Second Year, the Parties agree that the Council, in its delegated role as the Contributing Party, shall pay the County, in its delegated role as the Managing Party, the following amounts in lieu of paying (a) the

Contributing Party's Share of the Actual Shared Costs incurred during the applicable time period, and (b) any cost or expense associated with the County's provision of the Superior Court Area Services under section 3.2.1.2:

4.6.1.1 During the First Year, the Council shall pay an amount equal to the sum of (i) \$392,699, which amount shall be adjusted to reflect changes required by the State Department of Finance, and agreed to by the County, to the portion of the County Facilities Payment related to O&M Expenses, as such term is defined in the documents submitted by the County for the County Facilities Payment (the "**First Year Basic Costs**"), plus (ii) the Council Share of Utility Costs; and

4.6.1.2 During the Second Year, the Council shall pay an amount equal to the sum of (i) the First Year Basic Costs multiplied by the DOF Inflator (defined below) (the "**Second Year Basic Costs**"), plus (ii) the Council Share of Utility Costs. As used in this section 4.6.1.2, the term "**DOF Inflator**" means the fraction in which the denominator is the final value of the DOF Inflation Index (defined below) 17 months prior to the start of the Second Year, and the numerator is the DOF Inflation Index in effect five months prior to the start of the Second Year. The term "**DOF Inflation Index**" means the final value of the inflation index described in section 70355 of the Act that is published on a monthly basis by the State Department of Finance.

4.6.2 Time for Payment; Applicability. The Contributing Party will pay the First Year Basic Costs and Second Year Basic Costs, in equal monthly installments within 30 days following the Contributing Party's receipt of a Monthly Invoice setting forth the Utility Costs for the applicable calendar month. For sake of clarity, (i) the amounts of First Year Basic Costs and Second Year Basic Costs will not be affected by the amounts of Actual Shared Costs or the cost of the Superior Court Area Services incurred during the First Year or the Second Year, respectively, and (ii) the First Year Basic Costs and the Second Year Basic Costs do not include the costs associated with Utilities, custodial services, or alterations or additions (described in sections 3.2.1.3 or 3.2.2.3 above) made or provided to the Real Property. The terms of this section 4.6 shall no longer be applicable following the earlier of (i) the end of the Second Year, or (ii) the date that the Common Area Delegation is terminated.

5. RIGHT OF FIRST REFUSAL, COMPATIBLE USES, AND VACATE RIGHTS

5.1 Right of First Refusal and Increase of Space In Building

5.1.1 Right of First Refusal for Excess Area. At least 30 days before either Party leases, licenses, or transfers to any Third Party, or allows a Third Party to use, all or any portion of its Exclusive-Use Area that is not needed in connection with its operations (“**Excess Area**”), that Party must, by written notice, offer the Excess Area to the other Party on the same terms and conditions set forth in any offer to or from a Third Party for the Excess Area (“**Third Party Terms**”). The Third Party Terms must separate the rent for the Excess Area from any amounts to be paid by the Third Party for Operation, Utilities, and other costs in respect of the Excess Area. If the other Party elects not to occupy the Excess Area on the Third Party Terms, or fails to respond to the notice within a 30-day period, the Party with the Excess Area may permit a Third Party to occupy and use the Excess Area on the Third Party Terms. Before a Third Party can occupy the Excess Area on terms that are more favorable to the Third Party than the Third Party Terms, the Party with the Excess Area must again first offer the Excess Area to the other Party on those more favorable terms under this section 5.1.1. If the other Party elects to accept the Excess Area on the Third Party Terms, the Parties will enter into a separate written agreement setting forth the terms for the other Party’s occupancy and use of the Excess Area, consistent with the Third Party Terms. Neither Party is required to comply with the provisions of this section 5.1.1. prior to leasing, licensing, transferring, or otherwise allowing any Occupant to occupy or use a portion of its Exclusive-Use Area to the extent that such Occupant’s use or occupancy is consistent with, or complementary to, its existing operations in the Building.

5.1.2 Request for Increase of Exclusive-Use Area. If a Party wishes to increase the size of its Exclusive-Use Area (“**Additional Area**”), and the Parties reach agreement on mutually acceptable terms for the Additional Area, the Parties will enter into a separate, written agreement setting forth the terms for the occupancy and use of the Additional Area (which terms may include a reasonable rent for the Additional Area), subject to section 5.1.4. of this JOA, or the Parties may agree to amend this JOA to adjust the Parties’ respective Shares for purposes of allocating responsibility for payment of Shared Costs, and/or to include a reasonable rent for the Additional Area.

5.1.3 No Adjustment to Shares. If a Party rents or licenses any Excess Area or Additional Area under section 5.1.1 or 5.1.2, above, the rental or licensing transaction will not result in a change to the Parties’ Shares. Rather, the rent or license fee paid by the Party renting or licensing the Excess Area or the Additional Area will be deemed to include the Shared Costs applicable to the Excess Area or the Additional Area, as applicable. The Parties’ Shares for purposes of determining the Parties’ Equity in the Real Property will only be adjusted if one Party at any time buys the other Party’s rights

to occupancy and use of the Real Property for fair market value under section 5.3 of this JOA, or as otherwise agreed to by the Parties in writing.

5.1.4 Terms of this JOA Not Affected. Any leasing or license of the Excess Area or the Additional Area to a Party or to a Third Party will not relieve the Parties of their rights and responsibilities under this JOA with respect to the Excess Area or the Additional Area. Rather, any re-allocation of the Parties' rights and responsibilities under this JOA will be set forth in any separate written agreement, or an amendment to this JOA, entered into by the Parties for the Excess Area or the Additional Area.

5.2 Compatible Use; Hazardous Substances.

5.2.1 Compatible Use. Each Party shall use, and shall require that any Occupant use, its Exclusive-Use Area in a manner that is compatible with the Parties' use of the Building on the Responsibility Transfer Date and that does not deteriorate or diminish the other Party's ability to use its Exclusive-Use Area or the Common Area effectively. The Party responsible for each Occupant that occupies any of the Common Area must ensure that that Occupant uses its space in a manner compatible with the Parties' use of the Building.

5.2.2 Hazardous Substances. Neither Party shall store, use, treat, manufacture, or sell, or allow any other person to store, use, treat, manufacture, or sell, any Hazardous Substance on the Real Property except in compliance with Law.

5.3 Vacate Right Pursuant to Section 70344(b) of the Act. After the Responsibility Transfer Date, if either Party is entitled to and does exercise its rights under section 70344(b) of the Act (which section of the Act generally permits a Party occupying 80 percent or more of the Building to purchase the Equity rights of the other Party in the Real Property), the Party that is required to vacate the Building ("**Vacating Party**") must remove all of its property from, and surrender to the other Party full possession of, the space vacated ("**Vacated Space**") within 90 days after the Parties agree on the amount of compensation to be paid to the Vacating Party for (i) its Equity in the Vacated Space, and (ii) its relocation costs. The Vacating Party must repair, at its sole cost, any damage it causes to any part of the Real Property in removing its property from the Vacated Space. If the Parties cannot agree on the value of the Vacating Party's Equity in the Vacated Space, the Parties will select a mutually acceptable expert ("**Expert**") with adequate experience in appraising or providing opinions of value for real properties similar to the Real Property to determine the fair market value of the Vacating Party's Equity in the Vacated Space. If the Parties cannot agree on the fair market value

of the Vacating Party's relocation costs, the Parties will select a mutually acceptable expert (also, an "**Expert**") with adequate experience in determining relocation costs, to determine the fair market value of the Vacating Party's relocation costs. Once the Parties have agreed upon an Expert, the Owner will be responsible for engaging the Expert, and each Party will be responsible for one-half of the costs of the Expert. Any Expert will deliver to both Parties its determination of value. In the event of any disputes under this section 5.3, the Parties will proceed as set forth in section 11 of this JOA. The Parties shall enter into a written agreement to memorialize the terms of the purchase of the Vacating Party's Equity in the Vacated Space, and the Parties shall enter into a Termination Agreement, substantially similar to **Attachment "1"** attached to this JOA, when the Vacating Party has vacated the Vacated Space.

5.4 Amendment to JOA; Equity Rights. If the Parties' Equity rights will be modified, whether under section 7 of this JOA, or as a result of any other purchase of Equity rights to which the Parties may agree under this JOA or the Act, the Parties will amend this JOA to (i) adjust their Exclusive-Use Areas, and (ii) adjust each Party's Share and their Equity rights in the Real Property.

6. PROPERTY LOSSES; INSURANCE

6.1 Allocation of Risk for Property Claims. Subject to section 7 below, each Party will be solely responsible for, and bear all of the risk arising from, Property Losses that affect its Exclusive-Use Area, and the Parties will be jointly responsible for all Property Losses that affect the Common Area in accordance with their Shares. Notwithstanding the foregoing, and except to the extent provided in section 4.3.11.1 of the Transfer Agreement which addresses Property Losses from seismic-related events:

6.1.1 First and Second Year Property Losses. During the First Year and the Second Year, the County shall be solely responsible for, and will indemnify, defend, and hold harmless the State Parties, with counsel reasonably acceptable to the State Parties, from and against all Indemnified Loss arising from, any Property Loss; provided, however, that the provisions of this section 6.1.1 shall have no force or effect if the Common Area Delegation is terminated prior to the expiration of the Second Year.

6.1.2 Post-Second Year Property Losses. Following the earlier of (i) the end of the Second Year, or (ii) the termination of the Common Area Delegation, the County shall be solely responsible for, and will indemnify, defend, and hold harmless the State Parties, with counsel reasonably acceptable to the State Parties, from and against all Indemnified Loss arising from, any Property Loss that both (xi) exceeds \$10,000, and (xii) arises from a cause set forth in **Attachment "4"** of this JOA, except for such

Property Losses that originate in portions of the Real Property in which the County is not exclusively responsible for maintenance and repair services. For sake of clarity, the Parties will be responsible for all Property Losses not meeting the requirements of the foregoing sentence in accordance with the first sentence of section 6.1 of this JOA.

6.1.3 Full Cost of Repairs. The Parties agree that the County's obligations under sections 6.1.1 and 6.1.2 of this JOA include the responsibility for the full cost and expense of restoring or replacing the damaged portions of the Real Property arising from the Property Loss ("**Damaged Property**") to the condition immediately preceding the Property Loss in compliance with the applicable Law, including the demolition and replacement of the undamaged components of the Real Property but only to the extent necessary to restore or replace the Damaged Property, and the upgrade or alteration of components or systems of the Real Property but only to the extent required by applicable Law. However, the Parties will be responsible for the cost and expense of alterations, improvements, or upgrades to the Damaged Property that are above and beyond the restoration or replacement of the Damaged Property in accordance with the first sentence of section 6.1 of this JOA.

6.2 Property Insurance. Either Party may, without obligation, obtain one or more Property Insurance Policies to insure against Property Losses for which it is responsible pursuant to section 6.1 above, and any Party obtaining such Property Insurance Policies shall be solely entitled to all proceeds therefrom following any Property Claim. The Owner may, without obligation, agree in writing to make the Non-Ownning Party an additional insured and/or joint loss payee in respect of Owner's Property Insurance Policies, provided that the Non-Ownning Party agrees to pay its Share of the cost of any premiums, deductibles, and self-insurance retention amounts arising from such Property Insurance Policies, and the Parties agree to the allocation of the proceeds from the Property Insurance Policies following a Property Loss, as will be further described in a written agreement between the Parties. If a Party obtains any Property Insurance Policies (the "**Insuring Party**"), the non-Insuring Party agrees to comply in all material respects with the reasonable requirements for the use of the Real Property set forth in such Property Insurance Policies; provided that (i) the Insuring Party has provided reasonable notice of such requirements to the non-Insuring Party, and (ii) such requirements are consistent with, and do not materially limit, the non-Insuring Party's use of the Real Property.

6.3 Reporting and Processing Claims.

6.3.1 Party Responsible for Claims. If either Party receives any demand, complaint, notice, document, or information alleging the existence or occurrence of any

incident, event, circumstance, or occurrence in, on, or about the Real Property (“**Incident**”) that is or could result in any Property Loss, Property Claim, or Liability Claim (each, a “**Claim**”, and together, “**Claims**”) or if a Party otherwise becomes aware that an Incident has occurred, that Party will make best efforts to promptly notify the other Party of that Incident. Following that notice, the Parties will work together, diligently and in good faith, to determine which of them bears responsibility for the loss or injury alleged and whether either Party is entitled to indemnification by the other in respect of the Incident under sections 8.1 or 8.2 of this JOA. If the Parties are not able to so agree, then they will proceed as set forth in section 11 of this JOA.

6.3.2 **Incident Reports.** The Managing Party will maintain copies of any Incident reports that it prepares for a period of five years, and at the request of the Contributing Party, the Managing Party will provide the Contributing Party with a complete copy of, or reasonable access to, those Incident reports.

6.4 **Third-Party Contractor Insurance.** Each Party must require each of its Contractors to (i) obtain and maintain insurance of the type and with coverage amounts that are usual and customary to the type of business or exposures related to the work being performed on the Real Property, (ii) name both Parties as additional insureds by specific endorsement to their general liability policies, (iii) provide a waiver of subrogation in favor of both Parties with respect to all property insurance policies, and (iv) provide to the Parties a 30-day notice of cancellation or material change in any insurance coverage required hereunder. Unless the Parties otherwise agree, all Contractors must indemnify, defend, and hold harmless the County Parties and the State Parties from and against all claims, demands, liabilities, damages, attorney fees, costs, expenses, and losses arising from the performance by the Contractors under their contracts, and neither Party waives any right of recovery or subrogation against the other in respect of their contractual arrangements with the Contractors.

6.5 **Workers’ Compensation Coverage.** Each Party will maintain its own workers’ compensation insurance covering its own employees, and neither Party will have any liability or responsibility for any claims which could be covered by workers’ compensation for employees of the other Party.

7. DAMAGE OR DESTRUCTION

7.1 **Damage or Destruction Event.** If, due to Property Loss, the Real Property cannot be occupied by one or both Parties, each Party shall be solely responsible to arrange for its own relocation to and occupancy of alternate space. Promptly after a Property Loss, but in no event later than 180 days after a Property Loss, each Party shall

notify the other in writing (“**Restoration Election Notice**”) whether it wishes to restore or replace the Damaged Property.

7.2 Both Parties Elect to Restore or Replace. If both Parties elect to restore or replace the Damaged Property, the Parties will cooperate in good faith to restore or replace the Damaged Property, with each Party contributing its Share of the costs therefor in accordance with section 6.1 of this JOA, except that if the Parties restore or replace the Damaged Property in a way that results in a change to the Parties’ Shares or their Equity rights, the Parties will each pay the costs and expense to restore or replace the Damaged Property according to their newly determined Shares or Equity rights.

7.3 Only One Party Elects to Restore or Replace. If, based on the Restoration Election Notices, only one Party elects to restore or replace the Damaged Property, then within 30 days after the Parties’ Restoration Election Notices are given, the Parties must meet and confer in good faith to determine how to proceed with respect to: (i) the Damaged Property, and (ii) compensation for the Equity rights of either Party in the Real Property, if applicable. If the Parties cannot agree on those matters, they shall proceed as set forth in section 11 of this JOA.

7.4 Neither Party Elects to Restore or Replace. If neither Party elects to restore or replace the Damaged Property, and any of the Non-Owning Party’s Exclusive-Use Area is uninhabitable as a result of the Property Loss, then the Owner will compensate the Non-Owning Party for its Equity rights in the uninhabitable part of the Non-Owning Party’s Exclusive-Use Area, determined in the manner described in section 5.3 of this JOA. Unless the Parties have otherwise agreed in writing under section 6.2 of this JOA, the Non-Owning Party will not be entitled to any compensation by the Owner for any relocation costs arising from a Property Loss. If the Non-Owning Party will no longer occupy the Building due to Property Loss that neither Party elects to restore or replace, then when the Non-Owning Party has been compensated for its Equity rights under this section 7.4, and to the extent applicable, under any written agreement entered into by the Parties under section 6.2 of this JOA, the Parties will terminate this JOA by signing a Termination Agreement, similar in form and content to **Attachment “1”** of this JOA.

8. INDEMNIFICATION

8.1 Indemnification Obligation of Council. The Council will and does indemnify, defend, and hold harmless the County Parties, with counsel reasonably acceptable to the County Parties, from and against all Indemnified Loss arising from (i) all Council Claims, and (ii) Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligence of any of the State Parties.

8.2 Indemnification Obligation of County. The County will and does indemnify, defend, and hold harmless the State Parties, with counsel reasonably acceptable to the State Parties, from and against all Indemnified Loss arising from (i) the willful misconduct or negligence of any of the County Parties in the provision of the Superior Court Area Services and the Additional Court Area Services, and (ii) Liability Claims where and to the extent that the Liability Claims result from the willful misconduct or negligence of any of the County Parties, including, without limitation, the willful or negligent failure by any of the County Parties to provide building maintenance in the Building and grounds maintenance on the Land to the extent required in accordance with the terms of this JOA.

8.3 Indemnified Party's Participation. The indemnifying Party must manage and be entirely responsible to handle and resolve all claims for which it is responsible under sections 8.1 or 8.2, as applicable (the "**Indemnified Claims**"). The indemnified Party may elect, but is not required, to retain its own attorney, at the indemnified Party's sole expense, to participate in the litigation, settlement negotiations, or other dispute resolution procedures for any Indemnified Claim as to which it is the indemnified Party. If the indemnified Party elects to retain its own attorney to participate in the litigation, settlement negotiations, or other dispute resolution procedures for a Indemnified Claim, the indemnifying Party will cooperate with the indemnified Party, and the attorney retained by the indemnified Party, and the indemnified Party and its attorney will cooperate with the indemnifying Party.

8.4 Effect of Indemnification Rights. The rights of a Party to be indemnified under sections 8.1 or 8.2 of this JOA cannot be deemed or construed to limit or diminish the obligation of the indemnified Party to perform its duties at Law or under any agreement between the County Parties and the State Parties, including, without limitation, with respect to the Common Area Delegation under this JOA. The indemnifying Party shall have no right of set-off in respect of payment of any Indemnified Loss to the indemnified Party under this JOA.

9. CONDEMNATION

If either Party receives written notice advising of an actual or intended condemnation of the Real Property ("**Condemnation Notice**"), that Party will immediately deliver a copy of the Condemnation Notice to the other Party. In the event of an actual condemnation, the Parties will cooperate with each other in good faith to obtain the maximum award that may be obtained from the condemning authority, and each Party will be entitled to its Share of the condemnation proceeds.

10. DEFAULT NOTICE AND CURE

10.1 Event of Default. Upon the occurrence of a breach or default by the Council or the County of any provision of this JOA, the non-defaulting Party will provide written notice to the defaulting Party of the breach or default ("**Default Notice**"). Upon receipt of the Default Notice, the defaulting Party will have 30 calendar days to cure the breach or default described in the Default Notice and to provide evidence of that cure to the non-defaulting Party. If the breach or default is not capable of cure within the 30 calendar day period, then no breach or default can be deemed to have occurred so long as the defaulting Party promptly begins and diligently and continuously performs the cure to completion within a reasonable time period, not to exceed 90 calendar days from commencement of the cure ("**Cure Period**"). If the defaulting Party does not provide evidence of the cure to the non-defaulting Party within the Cure Period, then the defaulting Party will be deemed to have committed an "**Event of Default**," and the non-defaulting Party will have the right, but not the obligation, to pursue its rights with respect to resolution of disputes under section 11 of this JOA. The Parties may mutually agree to commence the dispute resolution procedures in section 11 of this JOA before the end of the Cure Period.

10.2 Insufficient Funds. Notwithstanding anything in this JOA or the Transfer Agreement to the contrary, no default or breach shall be deemed to have occurred if the Council is unable to pay any amounts due and owing under this JOA as a result of either (i) the State of California's failure to timely approve and adopt a State budget, or (ii) the State Controller's determination that the Council has insufficient funds to pay such amounts. In such an event, the Council shall promptly pay any previously due and unpaid amounts due and owing under this JOA upon approval and adoption of the State budget or the State Controller's determination that the Council has sufficient funds to make such payments.

11. DISPUTE RESOLUTION

In the event of a dispute between the Parties relating to performance of the Parties' obligations under this JOA, the Parties will, before exercising any other right or remedy for resolution of the dispute, meet and confer in good faith to attempt to resolve the dispute through unassisted negotiation. Each of the Parties shall be represented in any such negotiating session by a representative who is familiar with the facts of the dispute, and who has authority to negotiate on behalf of, and to effectively recommend settlement to, the Party that he or she represents.

12. NOTICES

Any notice or communication required to be sent to a Party pursuant to this JOA related, or delivered pursuant, to (i) the termination of the Superior Court Area Delegation or the Common Area Delegation under sections 3.3.1.2 and 3.3.2.2 of this JOA, respectively, (ii) the termination of this JOA under section 3.11 of this JOA, or (iii) sections 5, 6, 7, 8, 9, 10, 11, and 14 of this JOA, must be sent in writing by personal delivery (including overnight courier service), certified U.S. mail, postage pre-paid and with return receipt requested, or facsimile transmission, sent during regular business hours of the recipient, to the Parties at their addresses or fax numbers indicated in this section 12 below, and to the Parties' Designated Representatives pursuant to section 13 of this JOA. Routine exchange of information may be conducted via telephone, facsimile, or electronic means, including e-mail. All other notices or communications, including notices related to estimates, invoices, Emergencies, Defects, Correction Plans, and audits, shall be delivered to the Parties' Designated Representatives pursuant to section 13 of this JOA.

If to the Judicial Council:

Administrative Office of the Courts
Attention: Assistant Director, Office of Court Construction and
Management
455 Golden Gate Avenue
San Francisco, CA 94102
Voice: 415-865-4040
Fax: 415-865-8885

With a copy to:

Administrative Office of the Courts
Office of the General Counsel
Attention: Managing Attorney, Real Estate Unit
455 Golden Gate Avenue
San Francisco, CA 94102
Voice: 415-865-4057
Fax: 415-865-8885

In addition, all audit requests and notices by the County relating to termination of this JOA or an alleged breach or default by the Council or the AOC of this JOA must also be sent to:

Administrative Office of the Courts
Attention: Business Services Manager
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Voice: 415-865-7978
Fax: 415-865-4326

If to the County:

County of Los Angeles
Board of Supervisors
383 Hall of Administration
Los Angeles, CA 90012

With a copy to:

County of Los Angeles
Chief Executive Officer
Attention: Manager, CEO
Asset Planning and Strategy
754 Hall of Administration
Los Angeles, CA 90012
Voice: 213-893-2476
Fax: 213-626-7827

A Party may change its address for notice under this JOA by giving written notice to the other Party in the manner provided in this section 12. Any notice or communication sent under this section 12 will be deemed to have been duly given as follows: (1) if by personal delivery, on the date actually received by the addressee or its representative at the address provided above, or (2) if sent by certified U.S. mail, return receipt requested, on the first business day that is at least three calendar days after the date deposited in the U.S. Mail, or (3) if sent by facsimile transmission, upon electronic confirmation of good receipt by the receiving facsimile machine except that facsimile notice received after normal business hours of the recipient will be deemed received at 9:00 a.m. on the first business day after the date on which the facsimile notice was confirmed electronically.

13. DESIGNATED REPRESENTATIVES

The Parties shall each identify and appoint an individual who shall have authority to bind it to all matters and approvals related to Operations undertaken with respect to the Real Property under this JOA. Each Party may change its Designated Representative by

written notice to the other. Each Party hereby acknowledges and agrees that its Designated Representatives shall bear primary responsibility for the giving and receipt of notices, and for the coordination of its administrative obligations, under this JOA, but neither Party's Designated Representative has any authority to alter, amend, or modify the rights or obligations of such Party under this JOA. The contact information for the initial Council Designated Representative is:

Kenneth S. Kachold
Regional Manager of Facility Operations, Southern Region
Office of Court Construction and Management
Judicial Council of California - Administrative Office of the Courts
2255 North Ontario Street, Suite 200
Burbank, CA 91504
Phone: 818-558-3079
Fax: 818-558-3112
Email: kenneth.kachold@jud.ca.gov

The contact information for the initial County Designated Representative is:

Tim Braden, General Manager
Facilities Operations Service
Internal Services Department
1100 N. Eastern Avenue
Los Angeles, CA 90063
Phone: 323-267-2107
Fax: 323-881-0290
Email: tbraden@isd.lacounty.gov

14. MISCELLANEOUS

14.1 Amendment. This JOA may be amended only by written agreement signed by both of the Parties.

14.2 Waivers. No waiver of any provision of this JOA will be valid unless it is in writing and signed by the Party making such waiver. Waiver by either Party at any time of any breach of this JOA cannot be deemed a waiver of or consent to a breach of any other provision of this JOA or a consent to any subsequent breach of the same or another provision of this JOA. If a Party's action requires the consent or approval of the other Party, that consent or approval on any one occasion cannot be deemed a consent to

or approval of that action on any subsequent occasion or a consent or approval of any other action.

14.3 Force Majeure. Neither Party is responsible for performance in accordance with the terms of this JOA to the extent performance is prevented, hindered, or delayed by fire, flood, earthquake, elements of nature, acts of God, acts of war (declared and undeclared), riots, rebellions, revolutions, or terrorism, whether foreseeable or unforeseeable.

14.4 Assignment. Neither Party may assign this JOA in whole or in part, whether by operation of law or otherwise, to any other entity, agency, or person without the prior written consent of the other Party. Even if that consent is given, any assignment made in contravention of any Law will be void and of no effect.

14.5 Binding Effect. This JOA binds the Parties and their permitted successors and assigns.

14.6 Third Parties Benefited. The Superior Court is an intended beneficiary of all provisions of this JOA for the benefit of the Council.

14.7 Construction. The headings used in this JOA are for convenience only and will not affect the meaning or interpretation of this JOA. The words "hereof," "herein," and "hereunder," and other words of similar import, refer to this JOA as a whole and not to any subdivision of this JOA. The word "or" when used in this JOA is inclusive and can mean both. This JOA will not be construed against either Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to" and "including but not limited to," respectively. The capitalized terms used in this JOA and not otherwise defined herein will have the meanings given to them in the Transfer Agreement.

14.8 Integration. This JOA and the Transfer Agreement contain the entire agreement of the Parties with respect to the subject matter of this JOA, and supersede all previous communications, representations, understandings, and agreements, whether verbal, written, express, or implied, between the Parties.

14.9 Incorporation By Reference. The Attachments attached to this JOA are all incorporated into and made a part of this JOA for all purposes, and all references to this JOA in any of the Attachments will be deemed to include the entirety of this JOA.

14.10 Severability. If any term of this JOA is inconsistent with applicable Law, then on the request of either Party, the Parties will promptly meet and confer to determine

how to amend the inconsistent term in a manner consistent with Law, but all parts of this JOA not affected by the inconsistency will remain in full force and effect.

14.11 Further Assurances. The Parties agree to cooperate reasonably and in good faith with one another to (i) implement the terms and provisions set forth in this JOA and the Act, and (ii) consummate the transactions contemplated herein, and will execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this JOA and the Act.

14.12 Conflicts Between JOA and Transfer Agreement. The Transfer Agreement supersedes and controls to the extent of any conflicts between the terms of the Transfer Agreement and this JOA.

14.13 Signature Authority. The Council and the County each certify that the individual signing this JOA on its behalf is duly authorized and empowered to do so.

14.14 Independent Contractors. The relationship of the Parties to each other hereunder shall be that of independent contractors, and nothing herein shall be construed to create a partnership, joint venture, employer-employee, or agency relationship between or among any of the County Parties or the State Parties.

IN WITNESS WHEREOF, the Parties enter into this JOA as of the Effective Date.

APPROVED AS TO FORM:

ADMINISTRATIVE OFFICE OF THE
COURTS, OFFICE OF THE GENERAL
COUNSEL

By: Rachel J. Dragolovich
Name: RACHEL J. DRAGOLOVICH

Date: 6-11-07

JUDICIAL COUNCIL OF CALIFORNIA

By: [Signature]
Name: Grant Walker
Title: Business Services Manager,
Administrative Office of the Courts

Date: 6/11/07

ATTEST:

Sachi A. Hamai, Executive Officer
Board of Supervisors

By: [Signature]
Deputy

COUNTY OF LOS ANGELES, a body
corporate and politic

By: [Signature]
Name: ZEV YAROSLAVSKY
Title: CHAIRMAN, BOARD OF SUPERVISORS

Date: JUN 19 2007

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: [Signature]
Principal Deputy County Counsel



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

36

AOC Court Facility # 19-Y1

County LACO # 4288
June 6, 2007

20 JUN 19 2007

JUN 19 2007

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

76185

LIST OF ATTACHMENTS

Attachment "1"	Form of Termination of Joint Occupancy Agreement
Attachment "2"	Criteria for Approving County Employees and County Contractors with Respect to Background Checks
Attachment "3"	Service Standards
Attachment "4"	Causes of Loss

ATTACHMENT "1" TO JOA

FORM OF TERMINATION OF JOINT OCCUPANCY AGREEMENT

This Termination of Joint Occupancy Agreement ("**Termination**") is made and entered into this _____ day of _____, 20__, by and between the Judicial Council of California, ("**Council**") acting by and through the Administrative Office of the Courts, staff agency to the Council ("**AOC**"), and the County of Los Angeles ("**County**"). The Council and the County each constitute a "**Party**" and collectively constitute the "**Parties**" to this Termination.

RECITALS

A. On June ____, 2007, the County and the Council entered into a Transfer Agreement for the Transfer of Responsibility for, and Transfer of Title to, the Long Beach Courthouse (the "**Transfer Agreement**"). Under the Transfer Agreement, the County transferred to the AOC responsibility for funding and operation of the Long Beach Courthouse, which is located in a building on certain real property in the City of Long Beach, County of Los Angeles, State of California and having a street address of 415 W. Ocean Boulevard (as more completely described in the Transfer Agreement, the "**Real Property**"). The legal description of the Real Property set forth on **Exhibit "A"** attached to the Transfer Agreement.

B. Under the Transfer Agreement, the Council and the County also entered into a Joint Occupancy Agreement, dated June __, 2007 ("**JOA**"), setting forth the parties' respective rights and obligations with respect to the shared occupancy and use of the Real Property.

C. The JOA has now been terminated by the County and the Council, and is no longer of any force or effect.

NOW, THEREFORE, County and Council do hereby agree that the JOA is terminated, and is no longer of any force or effect.

IN WITNESS WHEREOF, this Termination has been executed as of the day and year first above written.

APPROVED AS TO FORM:

JUDICIAL COUNCIL OF CALIFORNIA

ADMINISTRATIVE OFFICE OF THE
COURTS, OFFICE OF THE GENERAL
COUNSEL

By: _____
Name: _____

Date: _____

By: _____
Name: _____
Title: _____,
Administrative Office of the Courts

Date: _____

ATTEST:

_____, Executive Officer
Board of Supervisors

By: _____
Deputy

**COUNTY OF LOS ANGELES, a body
corporate and politic**

By: _____
Name: _____
Title: _____
Date: _____

APPROVED AS TO FORM:

COUNTY COUNSEL

By _____
Deputy County Counsel

ATTACHMENT "2" TO JOA

CRITERIA FOR APPROVING COUNTY EMPLOYEES AND COUNTY CONTRACTORS WITH RESPECT TO BACKGROUND CHECKS

No County employee or County Contractor may access or work unescorted in any Pre-Screening Area of the Real Property if any of the following applies to that employee or Contractor:

1. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving violence, weapons, theft, robbery, burglary, embezzlement, dishonesty, moral turpitude, drugs (excluding misdemeanor marijuana convictions), or sexual activity (for a list of crimes constituting moral turpitude, please see **Appendix 1** to this **Attachment "2"**).
2. Any conviction or charge pending court disposition involving a serious felony which is listed in Penal Code section 1192.7(c) or any violent felony which is listed in Penal Code section 667.5(c).
3. Any conviction or charge pending court disposition with respect to felonies or misdemeanors contributing to the delinquency of a minor.
4. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving mob action (a.k.a. gang activity).
5. Any conviction or charge pending court disposition with respect to felonies or misdemeanors involving any crime (other than a minor traffic violation) not included in paragraphs 1 through 4, above, for which the AOC's Emergency & Response Unit ("**ERS**") has not provided a written exemption for that conviction or pending charge.
6. Outstanding bench warrant.
7. Failure to appear in court within six (6) months.

In order to obtain a written exemption with respect to paragraph 5, above, the County must submit all relevant information relating to the conviction or pending charge (e.g. type of offense, date of conviction, and sentence) to the Senior Manager of ERS. The County shall not include the name of the employee with this information. After review of the submitted information, the Senior Manager of ERS will notify the County in writing if an exemption for that conviction or pending charge will be provided by the AOC.

For purposes of these criteria, “conviction” includes a verdict of guilty, a plea of guilty, a plea of *nolo contendere*, or a forfeiture of bail in superior or federal court regardless of whether sentence is imposed by the court.

APPENDIX 1 TO ATTACHMENT "2"

The appellate courts have determined that the following crimes are crimes of moral turpitude:

1. Property Crimes. Arson; auto theft; attempted auto theft; burglary (any degree); attempted burglary; embezzlement; forgery; grand theft; receiving stolen property; theft; and vandalism (felony).

2. Assaultive Crimes. Assault by force likely to produce grievous bodily injury; assault with deadly weapon; assault with intent to murder; assault with intent to rape; battery of non-inmate by inmate; battery on peace officer; corporal injury to child; discharge a firearm; false imprisonment; robbery; shooting at inhabited dwelling; and spousal battery.

3. Homicide. Murder; second degree murder; and voluntary manslaughter.

4. Sex Crimes. Assault with intent to rape; indecent exposure; lewd act on child; pimping and pandering; rape; statutory rape; and sexual battery.

5. Escape. Escape with or without violence; and evading a peace officer.

6. Drug Crimes. Maintaining a drug house; possession of heroin for sale; possession of marijuana for sale; sale of drugs; and transportation of controlled substance.

7. Weapons. Felon in possession of firearm; possession or conspiracy to possess illegal firearm; and possession of deadly weapon with intent to assault.

8. Other. Felony drunk driving; felony false imprisonment; felony hit and run; kidnapping; terrorist threat; bribery; extortion; and perjury.

ATTACHMENT “3” TO JOA

SERVICE STANDARDS

[See Attached]

Scope of Services Statement - BUILDING MAINTENANCE

	Maintained to Design Specs.	Close to Original Condition	Code/Regulatory Compliance	Inspections As Required	Adjust	Repair As Needed	Replace As Needed	Testing As Required
Hardware and Locks								
Building hardware (e.g. door handles, closers, etc.)	X				X	X	X	
Replacement of keys (other than furniture keys) and card access devices.								X
Carpentry								
Wood, Formica and wooden structural members		X	X					
Ceiling tiles							X	
Building-related signage (but not customer signage)						X	X	
Electrical Systems								
All electrical systems	X	X	X			X	X	X
Electrical panels	X			X		X	X	X
Motor controllers	X			X		X	X	
Connections/terminals				X	X	X	X	
Controls/other accessories	X			X	X	X	X	
Electrical motor service	X				X	X	X	
Lighting (bulbs, ballasts, fixtures and diffusers) including exterior lighting		X				X	X	
Cleaning of light fixtures -- as needed								
Emergency power systems	X					X	X	X
BEAS equipment: data gathering panels: space sensors: equipment control points	X		X			X	X	X
Fire Extinguishing/Fire Alarm Systems								
Automatic fire extinguishing systems, including stand pipes	X		X	X		X	X	X
Manual fire extinguishings devices/systems	X		X	X			X	
Fire detection and alarm systems	X		X	X		X		X
Plumbing								
Plumbing fixtures (e.g. toilets, sinks, urinals, faucets)						X	X	
Internal drains (sanitary and free of debris)	X		X	X		X	X	
Piping, tanks and liquid enclosures	X		X	X		X	X	
Backflow devices	X		X	X		X	X	X

Heating/Ventilation/Air Conditioning (HVAC) Equipment

Standard Scope of Services for Courthouses

Scope of Services Statement - BUILDING MAINTENANCE

Equipment Rooms and Electrical Closets

- To be accessed only by maintenance and/or custodial service providers designated by the Managing Party.
- Shall not be used for customer storage.
- All equipment will be properly identified.
- Shall be kept clean of debris.
- Materials shall be arranged/stored in an orderly manner on a weekly basis.

Timing of Maintenance

- Advanced notification/coordination shall be made with court administrator when equipment must be shut down for maintenance/repairs/replacement or alterations.
- Every effort will be made to avoid disruption of building operations.
- Tasks requested by the AOC or Superior Court that cannot be done during normal working hours may require additional funding.

Response Times During Normal Working Hours

*** ISD will advise customers, as quickly as possible, in those instances where the timeframes stated below cannot be adhered to ***

Within 2 Hours

- All calls involving risk or injury to persons and/or damage or loss of property (e.g. persons trapped in elevator).

Within 4 Hours

- Calls from the Superior Court regarding significant discomfort to or disruption of building occupants' operations (e.g. air conditioning).

Within 3 Days

- ISD will respond within 3 working days to all service requests, except as noted above.

Response Times Outside of Normal Working Hours

County Operator

- Customers shall contact the Los Angeles County Operator at (213) 974-9555.
- County Operator will contact the appropriate ISD representative.

Within 3 Hours

- All calls involving risk or injury to persons and/or damage or loss of property (e.g. flooding).

Within 3 Days

- ISD will respond within 3 working days to all service requests, except as noted above.

Maintained to Design Specs.	Close to Original Condition	Code/Regulatory Compliance	Inspections As Required	Adjust	Repair As Needed	Replace As Needed	Testing As Required
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Scope of Services Statement - BUILDING MAINTENANCE

ISD's Commitment

- All work will be performed in a professional manner and shall comply with all applicable codes.
- All products used to perform services shall be safe and used in accordance with manufacturer's instructions.
- Work is warranted for 90 days, with longer periods negotiable.
- ISD will make every effort not to void manufacturers' warranties on equipment.
- Where applicable, ISD will administer contracts with third parties to fulfill the scope of services requirements.

Exceptions requiring additional Service Fees to be negotiated

- Repainting or treatment of wood paneling.
- Customer provided/owned Furnishings/Fixtures/Equipment - FFE (e.g. refrigerators, window A/C units, modular furniture, intrusion/panic alarms, access control devices, furniture and keys to that furniture).
- Carpet/Floor covering not covered in Superior Court areas or common areas.
- Maintenance of live plants.
- Cafeterias, snack bars or related equipment (responsibility of cafeteria operator).
- Custodial items such as removing mineral deposits from restroom fixtures and hardware, pest control and exclusion, removal of washable graffiti, cleaning of ceiling vents, window washing.

Additional Services

- Requests for additional services shall be submitted via a written ISD Service Request form.
- Services that are in addition to those specified herein shall be compensated through the routine ISD Service Request process.

Additional Customer Information

- The Managing Party is responsible for maintaining all applicable permits and causing payment of related fees.
- If ISD determines that a piece of equipment, or part of the infrastructure is beyond reasonable repair, ISD will issue a notice to the AOC to that effect.
In those cases, repair of said equipment/infrastructure component is outside of this scope of services.
- ISD will provide the AOC with updated listings of building equipment that has exceeded useful life expectancies.
- ISD and FOS mean Internal Services Department and its Facilities Operations Service.
- Services related to vandalism and certain other causes are covered herein in accordance with Section 6.1 of the Joint Occupancy Agreement.
- Items listed under "Sheetmetal" are covered regardless of construction.
- Note: for Secured Areas (e.g., holding cells), the Sheriff may substitute for ISD in completing the work shown above.

Maintained to Design Specs.	Close to Original Condition	Code/Regulatory Compliance	Inspections As Required	Adjust	Repair As Needed	Replace As Needed	Testing As Required
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Scope of Services Statement - GROUNDS MAINTENANCE

Each Business Day	Weekly	Every Two Weeks	Monthly	Every Two Months	Quarterly	Every Four Months	Semi-Annually	Annually	As Needed
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Lawns									
Mow lawns	X								
Weeding									X
Edging	X								
Mechanical Edging		X							
Chemical Edging/Detailing (April through September)				X					
Chemical Edging/Detailing (October through March)					X				
Litter Control	X								
Raking	X								
Trees, Hedges, Ground Cover									
Trim Trees					X				X
Thin Trees									X
Damaged Trees - Staked/Tied (Within 24 Hours)									X
Missing/Damaged Stakes (Within 5 Days)									X
Pruning									X
Hedging									X
Ground Cover									X
Damage to Shrubs, Trees, Turf or Ground Cover (Within 5 Working Days)									X
Pruning plant materials for vehicular and pedestrian visibility					X				
Flower Beds - Thinning									X
Litter Control	X								
Watering									
Irrigation in General - Depending upon individual requirements of the location									X
Ground Cover									X
Aeration									
General								X	
Areas around office buildings							X		
Fertilization									
Turf areas							X		
Irrigation Systems Maintenance									
Unplug clogged drains							X		
Flush lines							X		

Scope of Services Statement - GROUNDS MAINTENANCE

Each Business Day	Weekly	Every Two Weeks	Monthly	Every Two Months	Quarterly	Every Four Months	Semi-Annually	Annually	As Needed
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Concrete Areas/Hard Courts/Parking Lots

Sweeping/washing, except parking lots

Maintenance of parking lot surfaces

Vermi/Pest/Disease Control

Areas maintained free of rodents and insects

Landscaped areas free of disease that could damage plant materials

Cultivation (Retaining/Maintaining Original Conditions)

Beds

Planter areas

Turf Reseeding/Restoration of Bare Areas

Trash Removal

Collect and remove all clippings (when work performed)

Contractors may not use County trash bins

Response Times During Normal Working Hours

Within 2 Hours

- All calls involving risk or injury to persons and/or damage or loss of property (e.g. flooding).

Within 4 Hours

- Calls from AOC regarding significant discomfort to or disruption of building occupants' operations.

Within 3 Days

- ISD will respond within 3 working days to all service requests, except as noted above.

ISD will advise the customer in those instances where the above stated timeframes cannot be met as quickly as possible.

Response Times Outside of Normal Working Hours

County Operator

- Customers shall contact the Los Angeles County Operator at (213) 974-9555

- County Operator will contact the appropriate ISD representative

Within 3 Hours

- All calls involving risk or injury to persons and/or damage or loss of property (e.g. flooding).

Within 3 Days

- ISD will respond within 3 working days to all service requests, except as noted above.

Scope of Services Statement - GROUNDS MAINTENANCE

Each Business Day	Weekly	Every Two Weeks	Monthly	Every Two Months	Quarterly	Every Four Months	Semi-Annually	Annually	As Needed
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Regular Pest Control

- Regular pest control services are outside of the scope of services, but are available upon submittal of a service request.

ISD's Commitment

- All work will be performed in a professional manner and shall comply with all applicable codes.
- All products used to perform grounds maintenance services shall be safe and used in accordance with manufacturers' instructions.
- Where applicable, ISD will administer grounds maintenance contracts with third parties to fulfill the scope of services requirements.

Additional Services

- Requests for additional services shall be submitted via a written ISD Service Request form.
- Services that are in addition to those specified herein shall be compensated through the routine ISD Service Request process.

ATTACHMENT "4" TO JOA

CAUSES OF LOSS

Causes of Loss means the following:

1. Fire.
2. Lightning.
3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass. This cause of loss does not include loss or damage by: (a) rupture, bursting, or operation of pressure relief devices; or (b) rupture or bursting due to expansion or swelling of the contents of the Building, caused by or resulting from water.
4. Windstorm or Hail, but not including: (a) frost or cold weather; (b) ice (other than hail), snow, or sleet, whether driven by wind or not; or (c) loss or damage to the interior of the Building, or the property inside the Building, caused by rain, snow, sand, or dust, whether driven by wind or not, unless the Building first sustains wind or hail damage to its roof or walls through which the rain, snow, sand, or dust enters.
5. Smoke causing sudden and accidental loss or damage. This cause of loss does not include smoke from agricultural smudging or industrial operations.
6. Aircraft or Vehicles, meaning only physical contact with the Real Property of (i) an aircraft, (ii) a spacecraft, (iii) a self-propelled missile, (iv) a vehicle, or (v) an object thrown up by a vehicle. This cause of loss includes loss or damage by objects falling from aircraft, but does not include loss or damage caused by or resulting from vehicles owned or operated by the State Parties in the course of their business.
7. Riot or Civil Commotion, including: (a) acts of striking employees (except employees of the State Parties) while occupying the described premises; and (b) looting occurring at the time and place of a riot or civil commotion,
8. Vandalism, meaning willful and malicious damage to, or destruction of, the Real Property, but not theft, except for damage caused by the breaking in or exiting of burglars.
9. Sprinkler Leakage, meaning leakage or discharge of any substance from an Automatic Sprinkler System (defined below), including collapse of a tank that is

part of the system. If the Building contains an Automatic Sprinkler System, causes of loss also includes the cost to: (a) repair or replace damaged parts of the Automatic Sprinkler System if the damage: (1) results in sprinkler leakage; or (2) is directly caused by freezing; and (b) tear out and replace any part of the Building to repair damage to the Automatic Sprinkler System that has resulted in sprinkler leakage.

Automatic Sprinkler System means: (1) any automatic fire protective or extinguishing system, including connected: (a) sprinklers and discharge nozzles; (b) ducts, pipes, valves, and fittings; (c) tanks, their component parts, and supports; and (d) pumps and private fire protection mains; and (2) when supplied from an automatic fire protective system: (a) any non-automatic fire protective systems; and (b) hydrants, standpipes, and outlets.

10. Sinkhole Collapse, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include: (a) the cost of filling sinkholes; or (b) sinking or collapse of land into man-made underground cavities,
11. Volcanic Action, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by: (a) airborne volcanic blast or airborne shock waves; (b) ash, dust or particulate matter; or (c) lava flow. All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence. This cause of loss does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss or damage to the described property.
12. Falling Objects, but not: (b) personal property in the open; or (b) the interior of the Building, or property inside the Building, unless the roof or an outside wall of the Building is first damaged by a falling object.
13. Weight of snow, ice, or sleet, but not loss or damage to personal property outside of the Building.
14. Water Damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning, or other system or appliance, that is located on the described premises and contains water or steam. However, Water Damage does not include:
 - a. Discharge or leakage from: (i) An Automatic Sprinkler System; (2) a sump or related equipment and parts, including overflow due to sump pump

failure or excessive volume of water; or (3) roof drains, gutters, downspouts, or similar fixtures or equipment.

- b. The cost to repair any defect that caused the loss or damage;
- c. Loss or damage caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture, or vapor, that occurs over a period of 14 days or more; or
- d. Loss or damage caused by or resulting from freezing, unless: (a) the State Parties do their best to maintain heat in the Building; or (b) the State Parties drain the equipment and shut off the water supply if the heat is not maintained.

Water Damage, as defined in this section 14, also includes the cost to tear out and replace any part of the Building to repair damage to the system or appliance from which the water or steam escapes, but not the cost to repair any defect that caused the loss or damage.